

1 UNITED STATES DISTRICT COURT
2 WESTERN DISTRICT OF WASHINGTON
3 AT TACOMA

4 LORI COOK individually,) Cause No. C13-5986BHS
5 Plaintiff,)
6 v.) Tacoma, Washington
7 HARRISON MEDICAL CENTER, a) March 31 and April 1, 2015
8 Washington Non-Profit)
9 Corporation,)
10 Defendant.)

11 TRANSCRIPT OF TESTIMONY OF LORI K. COOK
12 BEFORE THE HONORABLE BENJAMIN H. SETTLE
13 UNITED STATES DISTRICT JUDGE, and a jury

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1 TUESDAY, MARCH 31, 2015

2

3 AFTERNOON SESSION

4 * * * * *

5 (Jury present.)

6 THE COURT: Mr. Fulton, you may call your first
7 witness.

8 MR. FULTON: Plaintiff would like to call Lori Cook
9 to the stand.

10 THE COURT: All right, if you would step forward
11 here. If you will raise your right hand, the oath of witness
12 will be administered.

13 LORI K. COOK, sworn or affirmed.

14 THE COURT: Thank you. Please take a seat here at
15 the witness chair.

16 If you will just wait for a moment here, Mr. Fulton, while
17 Ms. Craft hands out the notepads here for the jurors.

18 All right, you may proceed.

19 MR. FULTON: Thank you, Your Honor.

20 DIRECT EXAMINATION

21 BY MR. FULTON:

22 Q. Good afternoon, Lori.

23 A. Good afternoon.

24 Q. How are you doing?

25 A. All right.

1 Q. Lori, could you, for the record, just state your full name
2 again?

3 A. Lori Kelene Cook.

4 Q. Lori, how long have you lived in the State of Washington?

5 A. About 57-and-a-half years.

6 Q. And where were you born?

7 A. Tacoma, Washington.

8 Q. And what high school did you go to?

9 A. Lincoln High School in Tacoma.

10 Q. After you got done with high school, what did you do?

11 A. I started attending college at Tacoma Community College,
12 and I was there just about five months and my husband and I
13 moved out of the state. He had discharged from the Army.

14 We went to Western Massachusetts and we lived there about
15 six months. I had our first child. I was not working there.
16 And we returned to Tacoma, Washington.

17 It was not until the next year, in '76, that I began
18 working at St. Joseph Hospital in Tacoma. While there, I
19 worked there for three years and I was the Medicare biller. I
20 had improved processes for them so we were able to get cash in
21 approximately one week earlier than they had been, and I was
22 congratulated there by the CEO, Dan Russell.

23 From there, because of economic reasons and the change in
24 gas prices, I worked at Good Samaritan Hospital in Puyallup
25 for 17 years. I was what we call the float biller because I

1 learned all the insurance companies and how to process them,
2 along with patient account services, patient balances. And I
3 was there for 17 years.

4 While I was there, I earned my Bachelor's of Arts degree
5 from Pacific Lutheran University.

6 Q. Lori, let me catch up with you.

7 A. Okay.

8 Q. What year did you go back to school?

9 A. From '98 [sic] to 1990 I went to Pierce College and earned
10 my AA degree, and then I transferred to PLU in '92 to '95. In
11 1995 I graduated.

12 Q. And your degree you graduated with in 1995?

13 A. A Bachelor's of Business Administration.

14 Q. Okay. And what was your goal? What did you desire to do
15 with your degree?

16 A. I moved up in the supervisory manager roles.

17 Q. So the reason you went to get your BA was for management?

18 A. Yes.

19 Q. Okay. Now, if you could go back to, you said you worked
20 for 17 years for what, what facility?

21 A. Good Samaritan Hospital in Puyallup, Washington.

22 Q. And what was your title at that facility?

23 A. I was the float biller. So on any given day I would fill
24 in for two or three people who may be ill or on vacation.

25 Q. And as a float biller, your responsibilities in terms of

1 billing, what did that include?

2 A. Can you repeat the question, please?

3 Q. Yes. As a float biller, what were your billing
4 responsibilities?

5 A. Well, we did verified and audited claims that went out.
6 We processed the payments, answered any questions that the
7 insurances or the patients had, process denial. For a while
8 we did coding for the emergency room physicians.

9 Q. And did you change your work title during that 17 years
10 that you were with that agency?

11 A. For a while I focused on Washington Medicaid, but the
12 majority of the time I was a float.

13 Q. And so you were there for 17 years?

14 A. Yes.

15 Q. Why did you leave there?

16 A. I received an opportunity to be the billing -- the
17 business office manager at Clearview Nursing Home in Tacoma,
18 Washington.

19 Q. And approximately what year was that?

20 A. 1997.

21 Q. So in 1997, the title you took at that facility again?

22 A. Business office manager.

23 Q. So you were a business office manager. How many
24 individuals were you managing?

25 A. Two.

1 Q. And could you tell the jury what your responsibilities
2 were at that location?

3 A. I had payroll responsibilities. I had accounts receivable
4 responsibilities. I was over the supply area, the accounts
5 payable area. I also did administrative work for human
6 resources and kept people -- employment records. And I also
7 administered our benefits and gave the information about
8 benefits to new employees at employee orientation.

9 Q. How long did you stay in that position?

10 A. Approximately two years.

11 Q. And during that time, did you receive any accolades or any
12 good evaluations?

13 A. Yes. I had good evaluations.

14 Q. So after two years, you decided to leave.

15 A. Yes.

16 Q. Why did you decide to leave?

17 A. I found a job that was in Port Orchard. It was closer to
18 our home, and again I was the business office manager at
19 Ridgemont Terrace Nursing Home.

20 Q. And let's just back up a little bit because I don't want
21 to have Richard feel left out. How long have you been
22 married?

23 A. Forty years.

24 Q. And to the same person?

25 A. The same person. I actually married him twice.

1 Q. Tell me a little bit about that.

2 A. I don't know. We'd been married about five years and he
3 just proposed again. I said okay. I think it was because he
4 had met up with a -- the minister from the post church that we
5 were married -- who originally married us, and so we just took
6 the day off and went and were married again.

7 Q. All right. And do you have any children?

8 A. Yes. We have three grown children.

9 Q. Are you happy that they are grown?

10 A. Yes.

11 Q. All right. And do your children live in this area?

12 A. We have one daughter that lives here. She and her husband
13 have two dogs. And my older daughter lives in Illinois, and
14 our son lives in Texas.

15 Q. Okay.

16 A. The older girl and the son, they each have three children.

17 Q. So going back to your last employment. Why did you decide
18 to leave that employment?

19 A. The job was misrepresented. I was there just a few weeks,
20 maybe ten. It was very antiquated, and I just knew that was
21 not the right job for me. I could not deal with -- you know,
22 it just seemed like everything I was trying to do there was
23 out of my control. So I let them know that I needed to
24 resign.

25 Q. Okay. And so where did you go after that?

1 A. I went to Swedish Physician Division.

2 Q. In what year, approximately?

3 A. 2000.

4 Q. 2000. Okay. And what was the title at that -- what was
5 your title at that position?

6 A. For a few months I was an insurance rep 2. It's a large
7 physician group there, and so I was doing insurance follow-up.
8 Then opportunity came open to be an employee educator and
9 application trainer. I applied for that and I received that
10 position, which I kept for five years.

11 Q. And so after those five years, you left Swedish?

12 A. Yes. I learned about the supervisor position at Swedish
13 Home Care, and I was accepted for that.

14 Q. Okay. So you went to Swedish home care approximately what
15 date?

16 A. 2005.

17 Q. Okay. And when you -- who was your supervisor at Swedish
18 Home Care?

19 A. John Miotke.

20 Q. And what was John Miotke's title?

21 A. Director of finance.

22 Q. And how long did you -- was John Miotke your direct
23 supervisor?

24 A. Yes.

25 Q. And you worked with John for how many years?

1 A. Three.

2 Q. And what was your work responsibilities?

3 A. I came in, I did evaluation of the billing team. I had a
4 team of eight people. We were billing for several types of
5 services: regular home health, hospice, and infusion
6 services. So I oversaw what they did. I mentored them. I
7 updated our computer system, whatever tables and insurance
8 changes happened. And I did month-end processing, and the
9 financial and statistics for all three of those lines of
10 businesses. Also did regular supervisor things. Checked
11 people's attendance, gave them counseling. Of course,
12 mentored them and taught them new things. Reviewed their
13 aging work on old accounts. Any problem accounts that they
14 had, they would bring it to me. And then I gave them
15 evaluations and interviewed for new employees.

16 Q. Okay. And so how many individuals were you supervising at
17 Swedish Home Health?

18 A. Eight.

19 Q. And the year you left Swedish Home Care was what year?

20 A. 2009.

21 Q. 2009. What is a SCIC?

22 A. SCIC.

23 Q. Oh. See, I don't even know.

24 A. It's an acronym, S-C-I-C. It means sudden change in
25 condition.

1 Q. Okay. And so briefly, explain what that is.

2 A. Okay. We're talking about patients who are having
3 services in their home. And if -- at the time when the SCIC
4 process was active, to describe what was happening with a
5 patient and to pay the agencies properly, there was a process
6 that Medicare put in called sudden change in condition.

7 In my work, it would mean coding the claim a certain way
8 to match up to Medicare, so Medicare would have all the
9 correct information about the patient.

10 Q. Okay. And so SCIC -- is that right?

11 A. Yes.

12 Q. I said it right. Okay. So the SCIC process, how long was
13 this in play?

14 A. It ended December 31, 2007.

15 Q. Did something take its place?

16 A. Refined PPS, which is Medicare prospective payment system.
17 It's comprised of two types of formulas, that all the clinical
18 information about a patient is transmitted to Medicare, and
19 Medicare puts it -- the condition itself is given what they
20 call a HIPPS code, health insurance perspective payment system
21 code. And the final payment that Medicare pays, they will
22 call it a HHRG. They will base it on a HHRG score, which is a
23 home health related group.

24 They -- Medicare expanded on that system with more codes,
25 so as the codes would follow the patient, if they had to be

1 updated, there would be a code that specifically matched their
2 condition. And therefore, it was a new process that
3 clinicians and people in the billing had to follow.

4 Q. Okay. So -- but in 2007 --

5 A. Yeah.

6 Q. December 2007, the SCIC process went away?

7 A. Correct.

8 Q. During your time at Swedish Home Health, John Miotke was
9 your supervisor; correct?

10 A. Until 2008.

11 Q. 2008. So during your time there, did John provide you
12 with evaluations of how you were doing?

13 A. Yes.

14 Q. Okay. And what were those evaluations?

15 A. They were good passing evaluations.

16 Q. What software system were you using at Swedish Home Care?

17 A. It was McKesson Horizon Home Care.

18 Q. And was that your first time using McKesson software?

19 A. Yes.

20 Q. Before McKesson, what software did you use?

21 A. At Swedish Physicians Division, we had a software called
22 Misys. Before that, I would say -- I don't have an
23 off-the-shelf name for every software. In fact, going back to
24 Good Samaritan Hospital, we still have -- had a big mainframe
25 computer encompassing a room and actual programmers who

1 programmed the software to use with it.

2 So everything was, I guess, just known by IT, but at
3 people's work stations, we each didn't have a PC. We had what
4 they called a dummy terminal, and from the mainframe,
5 information would be sent out to the dummy terminals.

6 Q. So when you were working at Swedish Home Care, did you
7 have problems with the McKesson software?

8 A. It was very cumbersome.

9 Q. But were you able to do your job using the McKesson
10 software?

11 A. Right. I did not have anybody question the work there.

12 Q. Okay. So after your time at Swedish Home Health, where
13 did you go?

14 A. Well, Swedish Home Health merged with, I think they called
15 it Snohomish Visiting Nurse Service. That's in Mountlake
16 Terrace, and because of that, they eliminated the job that I
17 had.

18 We always don't get to see our grandchildren nearly
19 enough, so I said, okay I will just look everywhere for a job
20 because I do need to work, and I found a job in Illinois, and
21 I was accepted at Ingalls Home Care in Harvey, Illinois.

22 Q. What job -- what was your job title?

23 A. I was a billing supervisor.

24 Q. Okay. And how many people were you supervising?

25 A. Five.

1 Q. And your job duties, were they roughly the same as your
2 job duties at Swedish Home Health?

3 A. Yes.

4 Q. What software did you use at the Illinois job?

5 A. It was Homecare Homebase.

6 Q. Did you have an understanding why McKesson software wasn't
7 used, or was McKesson software used at one time at the
8 Illinois job site?

9 A. Yes. During my interview, the management there said,
10 well, we know you have not used Homecare Homebase anymore, but
11 you will learn it and you will be fine. They said we used to
12 have that McKesson, and we just scrapped it. It -- it did not
13 work for us. It -- it was not a good software.

14 Q. Okay. So how long did you stay in Illinois?

15 A. A year and a half.

16 Q. Okay. And then why did you leave Illinois?

17 A. I don't know if anybody has moved across the country
18 before, but it is a big project and many things enter in with
19 you leaving a place, getting settled in a new one, and so
20 forth.

21 I moved to Illinois ahead of my husband, and within a
22 couple of months, he was hit by someone. He was on his
23 motorcycle, and from that day forward, he has not worked. Our
24 plan was if he took a partial retirement from his union here,
25 he could again work in a new state and continue adding to his

1 retirement.

2 So he has not worked, and finances were getting harder and
3 harder for us in Illinois. Trying to actually find a house
4 was going to be hard because taxes on us, an easy estimate
5 would be two or three times what they are on the properties
6 here in Washington. So that was going against us. And they
7 only offered HMO insurance, where he wasn't able to -- we
8 weren't able to choose amongst all the doctors in the area,
9 and the people giving him care were not -- it just was not
10 happening very well and he was not able to walk for months.
11 So I said, well, I will just start looking everywhere again
12 and see what I find, and I found the position at Harrison. It
13 was like within a day or two of them receiving my application,
14 they kept calling and calling and calling our house to set up
15 interviews and so forth. I checked what type of insurance it
16 was. It seemed like it would be better, we wouldn't be locked
17 into an HMO, and we knew -- we had kept our house, rented our
18 house out, but the people were not taking care of our house,
19 so it all happened in a good time that we could move back to
20 our house.

21 So we came back. He was able to get some care that helped
22 him somewhat but still he has not been able to work. And at
23 least we knew that for our budget, we could keep our house
24 with the amount of tax and so forth we would owe on it.

25 Q. So you made a decision to come back to Washington?

1 A. Yes.

2 Q. And what year was that?

3 A. 2011.

4 Q. Okay. So have you -- before we get to your Harrison job.

5 In your whole working career, have you ever been out of work,

6 outside --

7 A. No.

8 Q. -- of your own choice not to work?

9 A. Right. Only the months that I chose to be, yeah.

10 Q. Have you ever been disciplined at your work?

11 A. No.

12 Q. So you've never been -- obviously, you've never been

13 terminated from a position before?

14 A. No.

15 Q. When you got to Harrison -- when did you start?

16 A. April 2011.

17 Q. Okay. And who interviewed you for the position?

18 A. I had a group of managers from patient financial services,

19 finance, and the interim director at Harrison Home Health, Pat

20 Dodge. That was one interview. Then the next interview I

21 went to was with Patty Cockrell. She's the chief operating

22 officer for the hospital. Then I had a third interview with

23 the leadership of the Harrison Home Health, which was their

24 interim director, Pat Dodge, and four other managers.

25 Q. In your other positions that you applied for, did you go

1 through that many series of interviews before you got the
2 position?

3 A. Can you repeat that? I couldn't hear you.

4 Q. Sorry. In the other jobs that you interviewed for, did
5 you go through that many rounds of interviews?

6 A. No.

7 Q. Why so many rounds of interview, do you think, when you
8 went to Harrison?

9 A. I don't know. I was going from one building to another
10 building to a third building.

11 Q. But in the end, obviously, they hired you; right?

12 A. Yes, they did.

13 Q. Now, when you started, your immediate supervisor -- who
14 was your immediate supervisor?

15 A. It was Pat Dodge.

16 Q. Was Diane Wasson at Harrison at that time?

17 A. No.

18 Q. Okay. And when you started at Harrison, what training did
19 you receive?

20 A. I had regular orientation that all employees would go to.
21 I had orientation for the manager level. And then I had a
22 department orientation, which was a checklist of items that I
23 had to check off with Pat Dodge about various specific
24 department things.

25 Next, the person that was doing their billing before I

1 came, she was a payroll billing clerk. Her name is Sam, and
2 she gave me a manual and said this is what I was given to --
3 given from John, meaning John Miotke because he had preceded
4 me --

5 MR. GALLAGHER: Objection. Hearsay.

6 THE COURT: Overruled.

7 A. And she gave me a manual to follow with Harrison's
8 specific details of how to process GenEnd daily: the first
9 claims, which are called RAPs, to Medicare; final claims to
10 Medicare; and commercial claims. I had a little bit of
11 training from a payroll manager on how to process payroll for
12 my staff. And I also had training from Stacy, who is in
13 finance, about month-end finance reporting, and for that she
14 also gave me a separate manual that my predecessor had wrote
15 which stated to finish up certain steps in the charge entry
16 process, check with Sam how to do GenEnd, and then proceed
17 with all the reports that you interpret and enter information
18 from them on to your monthly financial statement and do your
19 statistics.

20 Q. Okay.

21 A. She also talked about I should check and balance each
22 month the receipts deposit information we would get from
23 patient financial services. That's the business office of the
24 hospital. They get actual checks or remittances, and we don't
25 receive any cash or payments directly in home health. So I

1 would have to take what they sent, match it with what we
2 deposited, and verify that it all balanced.

3 MR. FULTON: An easel?

4 Permission to approach the witness, Your Honor.

5 THE COURT: You may.

6 BY MR. FULTON:

7 Q. Lori, I'm going to place this here. Can you see that?

8 A. Somewhat. Okay.

9 Q. How is that?

10 A. Good for me but I don't know if it's good for the whole
11 room.

12 Q. Well, we will do our best.

13 A. Okay.

14 Q. How's that? Can you see it?

15 A. Yes.

16 Q. So let me go back through your testimony here. When you
17 came to Harrison, you were trained by two people regarding
18 manual -- or billing procedures; is that correct?

19 A. Yes.

20 Q. Okay. And those two people were who?

21 A. Sam for the billing.

22 Q. Okay.

23 A. And Stacy for month-end processes.

24 Q. Okay. Now, did Sam and Stacy, were they in the same
25 building?

1 A. No.

2 Q. Okay. So those two billing procedure manuals that you
3 received, explain again the content in the daily billing
4 manual.

5 A. The daily billing manual told you what to process as far
6 as GenEnd because it needed to be done every day. Told you
7 like parameters. Mostly this has to do with dates, how --
8 what date range do you want for your first claims, the RAPs,
9 and what date range do you want for your final claim, the
10 second claim you have to send to Medicare.

11 Medicare processes -- or looks at home health patients as
12 60 day episodes. The patient will get continuous care for 60
13 days. In the beginning they allow an agency to bill for
14 request for anticipated payment where they will get 50 or 60
15 percent of their money up front. Then Medicare requires a
16 final claim at the end of the 60-day service where they will
17 then adjust, according to the HHRG code assigned to the
18 patient, and they will like true up with agencies. They will
19 either send you a debit or a credit.

20 Medicare is good for the patients in the fact that
21 Medicare leaves no balance to the patient on their home health
22 services. And I want to state that all the things I say are
23 as they were in 2012. Some regulations may have changed. I
24 try to keep up, but not doing it every day, they might have
25 changed something, I don't know.

1 So we had the RAP information, the final claim
2 information, and then another section for commercial claims.

3 Commercial carriers are Blue Cross, Aetna, Cigna, any auto
4 insurance. There's about 40 of them, and they each may
5 require different things. So their claims are called -- are
6 based on fee for service, visit by visit, so it's a different
7 grouping.

8 Did you ask me to do book 2?

9 Q. I asked you to do the daily.

10 A. Yeah.

11 Q. Okay. And so the daily was provided by Sam; correct?

12 A. Yes.

13 Q. And then there was another section, and that was a monthly
14 section; is that right?

15 MR. GALLAGHER: Objection. Leading.

16 THE COURT: Well, it was leading.

17 MR. FULTON: Sorry, Your Honor.

18 BY MR. FULTON:

19 Q. Did you receive a second manual from Stacy?

20 A. Yes, I did.

21 Q. Okay. And that manual covered what area? What was the
22 scope of that manual?

23 A. Okay. Told you preliminary work you had to do. You had
24 to check where the system was as far as services to be
25 entered. There was a double check, which was check with Sam.

1 Then there was a special GenEnd process where at the end of
2 the month where first you had to run a report about it. For
3 the beginning of the episode was a specific question, and then
4 you run it again calling it the end of the episode. From
5 there on, it was a set of reports that we needed the
6 information for to interpret on to a financial statement
7 required by the finance office and also to produce statistics.

8 Q. Other than those manuals, did you receive any other
9 materials or any other procedural manuals?

10 A. No.

11 Q. Did Pat Dodge provide you with any training?

12 A. No.

13 Q. Did McKesson provide any training to you?

14 A. No. As I told Harrison at my interview, I have not ever
15 been formally trained by McKesson. The only other piece was
16 Pat Dodge made sure that I had access to what McKesson calls
17 their information center, and you can look at that by
18 yourself, and a lot of times their support office will refer
19 you to that.

20 Q. All right. So you received this training. Did you then
21 start using those manuals to do your billing?

22 A. Yes.

23 Q. Within the first month, did you hear from Pat Dodge or any
24 of your supervisors that things looked amiss because of the
25 procedures you were using?

1 A. No.

2 MR. GALLAGHER: Objection. Leading.

3 THE COURT: Overruled.

4 A. No.

5 BY MR. FULTON:

6 Q. What was your focus during your first -- your first month
7 or your first days at Harrison? Were you assigned a specific
8 task?

9 A. First they had me read their office procedures and
10 policies, which I did. And then they, you know, gave me my
11 access codes and so forth. Pat asked me, you know, do I feel
12 comfortable just starting back in through McKesson? Softwares
13 that are off the self often provide you -- a good example
14 would be Windows. They provide you with updates now and then,
15 and sometimes a whole different version, you know. Windows 7,
16 Windows 8. So my time in that -- during my time in Illinois,
17 I may have missed some of those. But she said if you have any
18 questions, let me know. Does any of this, as you look through
19 the screens, does any of it look familiar and so forth? And I
20 said yes.

21 And as I always do when I start everywhere, I sit with
22 each of my subordinates and have them describe their job, what
23 references they have, manuals and so forth, and how their
24 functions fit in with the whole office. So I had done that
25 with my two subordinates. And, you know, then I spoke with

1 Pat Dodge every day and we, you know, touched basis, what's
2 going on. And I said, are you ready for me to start on the
3 aging? And she said, oh, sure. And so aging is -- I'm just
4 going to say a company. It could be a hospital, a doctor's
5 office, a nursing home, any medical facility -- where they
6 keep a listing of what has not been paid yet, and there may be
7 things on there that are overpaid and they categorize it.
8 They say, there are all our new charges, and then what -- and
9 what's 30 days old, 60 days old, 90 days old, and so forth.

10 MR. GALLAGHER: Your Honor, objection. I don't think
11 the witness is responding to a question at this point. I
12 think she is simply --

13 THE COURT: It is open-ended.

14 MR. GALLAGHER: Yeah.

15 BY MR. FULTON:

16 Q. Lori, you started talking about your immediate task.

17 A. Uh-huh.

18 Q. Were you ever assigned a certain task around aging reports
19 or aging accounts?

20 A. Right. I started working on the oldest accounts. There
21 had been no one in my position for over ten months, and our
22 main filing filing limit is one year with Medicare, you have
23 to have your claims and whatever corrections in to Medicare.
24 Medicare has to process before that 365 days. So I had to
25 start immediately finding and resolving what was the oldest so

1 we would not lose the money.

2 Q. And by way of comparison, what was the amount of the aging
3 account compared to other places you had worked at? Was it --
4 could you give us a figure as to what amount of payments that
5 were unpaid?

6 A. I believe it was around one million, one hundred thousand.
7 And I can't really compare it to other places because
8 mathematically I have really not worked it out according to
9 the difference in their sizes.

10 Q. Roughly in a month -- or let's go a year. In a year,
11 what's the average billing amount in terms of Medicare
12 payments that go through, that went through Harrison?

13 A. At Harrison we would receive about 400,000 a month.

14 Q. And that's just Medicare?

15 A. Yes.

16 Q. Were you also in charge of other accounts, other types of
17 payments?

18 A. There may be 50,000 to 100 in other insurances.

19 Q. So in a year, over four million?

20 A. Yes.

21 Q. So you assumed the task of working on the aging accounts;
22 is that right?

23 A. Yes.

24 Q. And how did you do? Did you make progress on those?

25 A. Yes, we did. We dropped about 500,000 just of old

1 accounts. The numbers we were just saying were just average
2 every month accounts. But the 500,000 would be specifically
3 old accounts that they would have lost had we not put in place
4 a mechanism to collect them.

5 Q. So did you receive any evaluations -- or let me ask it
6 this way: When you started at Harrison, were you on a
7 probationary period?

8 A. Yes.

9 Q. How long was that probationary period?

10 A. Ninety days.

11 Q. And at the end of that 90 days, did you receive an
12 evaluation?

13 A. Yes.

14 Q. Backing up a little bit. When did Diane Wasson become
15 your supervisor at Harrison?

16 A. I would guess about July the 6th, 2011.

17 Q. Okay. So you started in April?

18 A. Yes.

19 Q. And then in July Diane became your supervisor?

20 A. Yes.

21 Q. Did you have any meetings with Diane when she became your
22 supervisor?

23 A. Yes. She had a meeting with all the office staff
24 collectively, and then she met with each of us managers and
25 supervisors individually.

1 Q. Okay. And in the meeting with Diane, did she provide you
2 or talk about any particular training procedures or any type
3 of training that you -- she wanted to give you or provide you?

4 A. She talked about the conditions of participation from
5 Medicare, that if we as supervisors or managers had not
6 encountered those before or used them, we would be doing that.
7 And I was telling her about McKesson and it being probably so
8 cumbersome, hopefully we would keep up with all of our
9 updates, and that from what I had experienced in the first two
10 months -- two months, I suggest we have more McKesson
11 training.

12 Q. Okay. So you suggested to Diane that you needed more
13 McKesson training?

14 A. Yes.

15 Q. And what was Diane's response?

16 A. She said we would look into that and keep that on our
17 radar.

18 Q. Okay. Did Diane ever follow through with that and provide
19 any more McKesson training?

20 A. Not while I was there.

21 Q. Okay.

22 MR. FULTON: Permission to approach the witness.

23 BY MR. FULTON:

24 Q. Lori, I'm handing to you what has been marked as
25 Plaintiff's Exhibit No. 5. Will you take a look at that and

1 familiarize yourself with that?

2 A. All right.

3 Q. What is that document?

4 A. It was my first evaluation given to me by Diane Wasson.

5 Q. What's the date on that? On the bottom.

6 A. 7/27/2011.

7 Q. Did you review that evaluation and sign off on it?

8 A. Yes.

9 Q. Is that your signature on the bottom of that document?

10 A. Yes.

11 MR. FULTON: Permission to approach the witness, Your
12 Honor.

13 THE COURT: You may. Did you provide Gretchen with a
14 set of these exhibits?

15 MR. FULTON: Yes, I did.

16 Plaintiffs move to admit Plaintiff's Exhibit No. 5 into
17 evidence.

18 MR. GALLAGHER: No objection.

19 THE COURT: Exhibit 5 is admitted and may be
20 published.

21 (Exhibit 5 admitted.)

22 THE COURT: This might be a good time to take our
23 midafternoon break for 15 minutes. I remind you, of course,
24 not to discuss the case among yourselves or with anyone else.

25 THE CLERK: All rise.

1 (Jury excused; 2:30 p.m.)

2 THE CLERK: Let me just say something about
3 objections and leading question objections. I have a rather
4 liberal approach to leading questions if they are foundational
5 and they don't really involve a matter that's in contest. I'm
6 not likely to sustain an objection just to keep the case
7 moving along. It, of course, is not always easy for me to
8 tell whether it's a contested matter or not. So I will try
9 and pay close attention to that. But normally I sort of give
10 that heads up before we get started, so now you have a better
11 understanding.

12 MR. GALLAGHER: Thank you.

13 MR. FULTON: Thank you, Your Honor.

14 (Recess.)

15 (Jury not present.)

16 THE COURT: Mr. Fulton, you may have picked up on the
17 fact that with a set of exhibits with Gretchen, she can
18 provide that to the witness, and the witness can refer to
19 that. And of course you're using the ELM0 for showing a copy
20 on the ELM0.

21 MR. FULTON: Okay.

22 THE COURT: You don't need to approach the witness
23 for the exhibits.

24 THE CLERK: Do you want Ms. Cook to resume the stand?

25 THE COURT: Yes, thank you.

1 Do we have a witness?

2 MR. FULTON: Oh. Yes, I should get her.

3 THE CLERK: Please rise for the jury.

4 (Jury present; 2:50 p.m.)

5 THE COURT: Ms. Cook, if you would just step forward
6 and resume the witness chair, please.

7 All right, everyone may be seated.

8 You may proceed, Mr. Fulton.

9 MR. FULTON: Thank you, Your Honor.

10 BY MR. FULTON:

11 Q. Good afternoon again, Lori.

12 A. Hello.

13 Q. When we left off, I was going to ask you to read the first
14 line of the comments on the evaluation that you received from
15 Diane Wasson.

16 A. Okay. "Lori's experiential knowledge has been very
17 evident during her first 90 days!"

18 Q. You can read the whole paragraph.

19 A. Okay. "She's identified a number of system and processes
20 issues which has precluded accurate and timely billing;
21 researched and corrected many of those issues consequently
22 reducing the aged accounts receivable by tense of thousands.
23 She is self-motivated and task focused, taking initiative to
24 contact vendors and payers, speaking as an informed consumer,
25 to resolve issues and further outcomes for the agency and

1 takes resolutions/new information to other staff with vested
2 interest."

3 Q. Okay. I'm going to ask you a few questions about that.
4 It says that you identified a number of system and processes
5 issues. Can you recall what issues that you identified?

6 A. Yes. Early on I had found out they were billing Regence
7 Medicare Advantage incorrectly. They were billing it as fee
8 for service and it should be PPS because of the Medicare
9 replacement product. So I updated the system and reprocessed
10 the claims and received payment.

11 There was also some problems that were occurring in the
12 Veterans Administration billing, and again, a lot of that was
13 due to authorization and information, but I went through that
14 and that was very backlogged, which I cleared up.

15 Q. Could you also read the second paragraph.

16 A. I'm sorry, with my hearing loss it's hard to understand
17 someone chewing on their glasses.

18 Q. Touché. Could you read the second paragraph as well?

19 A. All right. "While she was tasked exclusively to focus on
20 aged AR during her first 90 days, Lori has worked closely with
21 staff to identify process roadblocks to be addressed for
22 efficiency improvement. However, her colleagues report she is
23 always responsive and willing to engage when asked for input
24 and assistance with issues other than collections. This
25 reviewer has found Lori to be most willing to stretch outside

1 the billing/collections environment to learn more about the
2 clinical functions of the agency and contribute to peer
3 projects necessary to the management and compliance readiness
4 of the agency."

5 Q. Okay. Thank you.

6 Lori, in the booklet in front of you, could I have you
7 turn to Exhibit No. 11?

8 A. Okay.

9 Q. And could you tell me what that exhibit is?

10 A. This is my position offering letter from Harrison Medical
11 Center.

12 Q. And when did you receive this?

13 A. March 10th, 2011.

14 MR. FULTON: Plaintiffs move to admit Exhibit No. 11.

15 MR. GALLAGHER: No objection.

16 THE COURT: All right. 11 is admitted, and it may be
17 published.

18 (Exhibit 11 admitted.)

19 BY MR. FULTON:

20 Q. Okay, Lori. According to this letter, when did you
21 begin -- what was your start date?

22 A. April 18th, 2011.

23 Q. Okay. And what was your title?

24 A. Billing manager for home health.

25 Q. And at that time, were you overseeing other employees?

1 A. Two.

2 Q. And also, what was your starting salary?

3 A. Seventy-five thousand dollars a year.

4 Q. Lori, could you turn to Exhibit No. 17?

5 A. Okay, I'm on 17.

6 Q. And when did you prepare this document?

7 A. November 2012.

8 Q. What was the reason for preparing this document?

9 A. I had such a life-changing event, I wanted to make sure I
10 remembered everything that happened from when I began working
11 until November, and then I kept ongoing notes in real time.

12 Q. So you kept these entries contemporaneous with the events?

13 A. Yes. After November 2012.

14 Q. And after reviewing these, or this document, does this
15 help refresh your memory as to what events occurred?

16 A. Yes, it does.

17 MR. FULTON: Plaintiffs move to admit this as a
18 recorded recollection, not to be published, but only to be
19 read.

20 MR. GALLAGHER: Would it come in as an exhibit or is
21 it only to read?

22 MR. FULTON: It wouldn't be published if it would be
23 only read to the jury.

24 MR. GALLAGHER: Your Honor, I would object to that.
25 I'm not sure of the practical effect of publication. But we

1 also object because it's hearsay, Your Honor. It's based on
2 hearsay. It is not a recollection recorded. The testimony
3 was it was created after the events as a summary that she
4 prepared.

5 THE COURT: I don't think a foundation has been made
6 for the hearsay exception, because it's a document.

7 MR. FULTON: Your Honor, Lori testified that she
8 prepared this, in essence, as a diary as these events
9 occurred. She has testified that this is the document that
10 she prepared, and she has testified that this was kept in the
11 course of -- I'm sorry, was kept contemporaneous with the time
12 of the events.

13 THE COURT: I didn't hear her indicate that she could
14 not recall what's contained here.

15 BY MR. FULTON:

16 Q. Lori --

17 MR. FULTON: Well, the question to her was whether or
18 not the document would help her recall these events.

19 BY MR. FULTON:

20 Q. So the follow-up question would be, without this document,
21 would you be able to recall all of these events as listed
22 here?

23 A. Possibly the event but not the date of the event.

24 MR. GALLAGHER: Your Honor, we would object under
25 803. This is not -- I mean, it's possible that the document

1 could be used to refresh her recollection, but that's not a
2 separate exception to the hearsay rule. It's still hearsay.
3 It would need one of the other exceptions.

4 THE COURT: This is being offered for recorded
5 recollection, which is a record that is a matter on which the
6 witness once knew about but now cannot recall well enough to
7 testify accurately; it was made or adopted by the witness when
8 the matter was fresh in the witness's memory; and accurately
9 reflects the witness's knowledge. If admitted, the record may
10 be read into evidence but may be received as an exhibit only
11 if offered by an adverse party.

12 I believe the foundation has been laid, but is it your
13 intention to read this entire document?

14 MR. FULTON: No, it's not, Your Honor.

15 THE COURT: I will let you proceed in areas, and she
16 can make reference to this if she cannot recall the specific
17 answer to your question.

18 MR. FULTON: Thank you, Your Honor.

19 BY MR. FULTON:

20 Q. Lori, on 4/18/11, can you recall what happened on that
21 date?

22 Before you -- Lori. Lori.

23 A. That's when I began at Harrison.

24 Q. Okay.

25 MR. GALLAGHER: Your Honor -- well, I object. My --

1 it looks like the witness is looking at the document in answer
2 to that question. My understanding is she should be asked
3 whether she can recall what happened. If she can't, then it
4 might be permissible for her to review a document that would
5 refresh her recollection.

6 THE COURT: I think that's the proper procedure, on
7 the one hand. On the other hand, I don't want to get this
8 extended out and drawn out. We all understand from her
9 testimony that the details of the dates and the events, she
10 needs to have her memory refreshed from this docket. So we
11 will proceed, and you will ask her about an event, and if she
12 says she needs to refer to it, she can refer to her notes
13 taken on this Exhibit 17.

14 MR. FULTON: Your Honor, because of her hearing loss,
15 I want to --

16 By MR. FULTON:

17 Q. Did you understand what the judge said, Lori?

18 A. No.

19 Q. Okay.

20 A. I'm sorry.

21 Q. That's all right.

22 THE COURT: All right. What I'm saying is, Mr.
23 Fulton can ask you questions concerning events that you have
24 recorded on this document 17.

25 THE WITNESS: Yes.

1 THE COURT: And if you need to refer to the document
2 to fresh your memory, you may do that.

3 THE WITNESS: Okay.

4 BY MR. FULTON:

5 Q. All right. So, Lori, you need to listen to my question
6 first before you refer to this document.

7 A. I will.

8 Q. When you started at Harrison, were you in charge of
9 preparing monthly reports?

10 A. I believe I started preparing the month -- the reports the
11 second month I was there.

12 Q. What was the first monthly report you prepared?

13 A. Stacy and finance did it.

14 Q. What was the name of that report?

15 A. The month that I did it would have been May 2011.

16 Q. Okay. And what was the name of the report?

17 A. With Stacy I did the home health financial statistics and
18 financial reporting.

19 Q. Did you ever do a Medicare credit report?

20 A. Yes. The first month I was there. April is the first
21 month after the end of first quarter for 2011, so I prepared
22 the Medicare credit report. Every quarter Medicare requires
23 agencies to tell them what final claims process have been
24 overpaid and how the agency is going to repay Medicare.

25 Q. And that's called a credit report?

1 A. Yes. Medicare credit report.

2 MR. FULTON: Permission to approach the easel.

3 THE COURT: You may.

4 BY MR. FULTON:

5 Q. Can you see that?

6 A. Yes, I can see that.

7 Q. Lori, what do you see on the easel there?

8 A. I see a detailed page of a Medicare credit balance report.

9 Q. And is that the report format that you used when you
10 prepared the credit report for Harrison?

11 A. It's the second page of the report that you would put the
12 details of any true credits you had after a final claim of a
13 60-day episode.

14 Q. Okay. And after you prepared that, the credit report, did
15 Pat Dodge have to approve that report?

16 A. Yes.

17 Q. And did Pat Dodge approve that report?

18 A. Yes.

19 Q. When you prepare a monthly credit report, do you often
20 show credit balances on that report?

21 A. No. Credits are -- true refunds that need to go back to
22 Medicare are rare. Since 2005, I had one, and it was not at
23 Harrison.

24 Q. So is your testimony that the whole time that you were at
25 Harrison, did you have a credit report that actually had a

1 credit on it?

2 A. No.

3 Q. And again, why wouldn't a credit report have a credit
4 balance on it?

5 A. As I said, Medicare pays on a 60-day episode. There's a
6 first payment, and at that time I would say until the person
7 was -- completed their episode in 60 days, they were in the
8 mid of their episode, the middle of it. The first payment may
9 leave the account as a credit or a debit, and when the final
10 claim comes, then Medicare makes the actual payment based on
11 our contract with them and their formulas, which will true up
12 the account.

13 MR. FULTON: Permission to approach, Your Honor.

14 THE COURT: You may.

15 BY MR. FULTON:

16 Q. On this report, there's a column that has "Discharge
17 Date."

18 A. Yes.

19 Q. What's the significance of this discharge date?

20 A. In home health, it would be the date of the end of the
21 episode.

22 Q. Could you define for us, what is a LUPA?

23 A. A LUPA is an episode with four or fewer visits, and it's
24 called a low utilization payment adjustment.

25 Q. How does a LUPA correspond with a monthly credit report,

1 if at all?

2 A. As I have found, many LUPAs will have a credit after the
3 first payment, after the RAP payment, and that mid episode.
4 So if you saw that at the end of your quarter, you do not need
5 to report it because the episode had not been discharged.
6 It's just mid episode. Medicare only wants to see true
7 credits.

8 Q. So if you don't have a discharge date, you can't put that
9 on the credit report?

10 A. Right. There's no reason to.

11 Q. Okay. Now, you said another term. While we're here, we
12 might as well have a little lesson. What is a RAP?

13 A. A request for anticipated payment.

14 Q. And so in an abbreviated manner, when you are preparing
15 reports or looking through documents, how does this RAP come
16 into play?

17 A. It's the first billing that Medicare allows an agency to
18 send in. It shows the person -- the patient's HIPP, and based
19 on that, Medicare is going to make a payment of 50 percent or
20 60 percent.

21 Q. Okay. And when they make the payment of 50 or 60 percent,
22 where is the remaining 40 or 50?

23 A. You have to finish out the episode, and the Medicare will
24 true up with the agency.

25 Q. Okay. When you say "true up," again, what does that mean?

1 A. As I said before, Medicare pays on formulas, so they're
2 not going to look at your bill, and even though you itemize
3 all your services, if your services were a thousand dollars,
4 because of the patient's medical criteria that you enter on
5 the claim, it might fall under one of the formulas or the
6 HHRGs that pay \$800. So what Medicare is going to do, once
7 they receive final claim, they are going to retract the
8 payment that they made first and pay you only the payment
9 based on the final claim. So whether mid episode your account
10 was a credit or a debit, after you bill Medicare the final
11 bill and they pay, the account will go to zero.

12 Q. I think you just explained to us that -- the next term I
13 wanted you to explain was a final claim. When do you have a
14 final claim?

15 A. You have it at the end of the 60-day episode.

16 Q. And we will do one more term down here. And the next term
17 down there I believe is PECOS.

18 A. All right.

19 Q. And what does PECOS stand for?

20 A. It's the -- it was a new enrollment system that Medicare
21 has put in for all providers, and it's a provider enrollment
22 chain and -- what do they say? The physicians' ownership
23 system.

24 Q. Okay.

25 A. A long acronym that doesn't really describe what they're

1 doing with it.

2 Q. So is PECOS something that you had to monitor and oversee?

3 A. Yes.

4 Q. Okay. Where would you indicate the status of your PECOS
5 claims?

6 A. I cannot remember the exact formula locator, but what you
7 had to do was verify in home health that the referring doctor
8 was signed up and eligible in PECOS, and that -- then they
9 would be given an identifier number and you would put that on
10 your claim next to the referring physician's name.

11 Q. Did you have any problems or issues implementing PECOS at
12 Harrison?

13 A. It was just cumbersome. We did have a few doctors at the
14 VA clinic that had not enrolled in PECOS, and they also did
15 not sign a special waiver. If they didn't want to enroll,
16 they could have a waiver. But they had to do that with the
17 PECOS system.

18 Q. Were you ever counseled or talked to by Diane Wasson about
19 PECOS?

20 A. No. She asked me to just keep monitoring it. PECOS was
21 something that Medicare kept delaying and delaying and
22 delaying, but every few months we wanted to check -- you know,
23 we would find a point in time that we checked every physician
24 in our system and find out if they are or are not, and then
25 watch all the new physicians. And you wanted to make sure,

1 absolutely, you audit all the claims that you send out so that
2 you wouldn't get a rejection. Medicare started issuing
3 rejections of your billing if the doctor wasn't enrolled in
4 PECOS.

5 Q. So let's go back to the monthly credit report.

6 A. All right.

7 Q. You filled out the monthly credit report with Pat Dodge;
8 correct?

9 A. Yes.

10 Q. And the monthly credit report -- or, I'm sorry, the credit
11 report was done on a quarterly basis; is that right?

12 A. Quarterly.

13 Q. So your next report was due when?

14 A. In July. July 31st.

15 Q. At that time, was Pat Dodge your supervisor or Diane
16 Wasson?

17 A. Diane Wasson.

18 Q. So when you turned in your quarterly report in July, did
19 you turn it in to Diane Wasson?

20 A. Yes.

21 Q. And did Diane Wasson review that report?

22 A. Yes.

23 Q. And did she approve that report?

24 A. Yes.

25 Q. For the remainder of your tenure at Harrison, did you

1 submit quarterly credit reports to Diane Wasson?

2 A. Yes.

3 Q. At any time did Diane Wasson -- I should say, did Diane
4 Wasson review all those reports?

5 A. Yes.

6 Q. Did she ever deny any of those reports?

7 A. Yes.

8 Q. Okay. Which one, or when did she deny a report?

9 A. In October of 2012, she denied the report for quarter
10 ending 9/30/2012.

11 Q. Okay. So all previous reports were reviewed and approved
12 by Diane Wasson?

13 A. Yes.

14 Q. Why was the report in October not approved?

15 A. Her warning was she wasn't sure that the accounts I was
16 showing her having credits were not true credits. They were
17 all LUPAs, and she just said until I can prove that they are
18 not credits, she was not going to sign it.

19 Q. So was it your understanding that Diane Wasson believed
20 LUPAs should have been on the credit report?

21 A. Well, she didn't say specifically. She didn't -- you
22 know, I had told her I reviewed all the instructions for the
23 Medicare credit report again and we do not have to put those
24 on.

25 Q. And again, if you don't have a discharge date, do you put

1 that on the credit report?

2 A. No.

3 MR. FULTON: Permission to approach.

4 BY MR. FULTON:

5 Q. When was your next review?

6 A. June of 2012.

7 Q. And who did that review?

8 A. Diane Wasson.

9 Q. If I could have you turn to Plaintiff's Exhibit No. 6.
10 Would you take a look at that exhibit, Lori. What is that
11 exhibit?

12 A. It's my yearly review from 2012.

13 Q. Okay. And what's the date on that review?

14 A. June 6th, 2012.

15 Q. And is that your signature on the bottom of the review?

16 A. Yes.

17 Q. And you've seen this document and you've reviewed this
18 document and signed it on June 6th, 2012?

19 A. Yes.

20 Q. Okay.

21 MR. FULTON: Plaintiffs move to admit Exhibit No. 6
22 into evidence.

23 MR. GALLAGHER: No objection.

24 THE COURT: Exhibit 6 is admitted and may be
25 published.

1 (Exhibit 6 admitted.)

2 BY MR. FULTON:

3 Q. Lori, could you read the section "Leader's Overall
4 Comments," and read the highlighted areas?

5 A. Okay. The first highlighted says, "Lori joined the
6 organization and inherited an aged AR that had not been
7 adequately attended for several months; process errors have
8 continued to contribute to a growing accounts receivable.
9 There appears to be several inefficient inputs into the
10 billing/accounts receivable and Lori will need to explore and
11 identify those processes and put corrections in place before
12 momentum can be gained in reducing the outstanding AR,
13 reducing the turnaround time to release claims, and minimize
14 the number of rejections to initial submissions due to
15 incomplete or errored claims."

16 The second section says --

17 Q. Lori, hold on. Let me ask you a question about that.

18 A. Okay.

19 Q. So the first sentence says you inherited aged AR. Is that
20 what you were talking about when you first started at
21 Harrison, the aged AR?

22 A. Yes.

23 Q. And AR, again, is accounts receivable?

24 A. Yes.

25 Q. And the next sentence says "process errors have continued

1 to contribute to a growing accounts receivable." Can you
2 explain that?

3 A. I don't know actually of any errors. I know that we had a
4 new Medicare requirement that came in May of 2011 having to do
5 with 13th and 19th visits on physical therapy, occupational
6 therapy, speech visits, and that was a big impact both on the
7 clinician and on the billing side which had to be monitored
8 constantly and carefully.

9 There were an account or two also where the people had
10 been on service for years, so we might be talking ten episodes
11 or so. But the system -- the information input as to events
12 were not processing correctly through the system.

13 Q. Okay. So did you have a plan in place to work on that
14 issue?

15 A. Oh, yes. I worked on problem accounts routinely, and as
16 far as the rehab accounts, I had a report that I ran for them
17 every day to see possible -- trying to make sure the correct
18 clinician went to see the patient on the 13th and the 19th
19 visit. What Medicare was trying to do is to balance out the
20 number of times a patient was treated and evaluated by an
21 actual therapist and not a therapist assistant. So I would
22 give a report every day to the scheduler so they could then in
23 turn look at the schedule and make sure if the plan we had is
24 going to match the Medicare regulation.

25 I also contacted clinicians in the field that -- if I had

1 a question or asked them, you know, watch -- get with your
2 team members and watch the service. Also had gave a copy of
3 the report and worked closely with the rehab clinician
4 supervisor to do the same thing, because what Medicare would
5 do is if the correct service or clinician did not help the
6 patient on a certain -- at a certain visit, then you would
7 lose visits. You might have to lose one, two, or three
8 visits. It varied. We would have to just absorb the cost and
9 remove them from the bills.

10 Q. So that plan was always -- was that an always ongoing plan
11 that you were working on this issue?

12 A. Right. And then I had a spreadsheet of anything that we
13 did have to lose, and I would have to adjust those services
14 off. I had a spreadsheet that tracked that.

15 Q. The second paragraph, could you read that highlighted
16 section, the second highlighted section?

17 A. All right. "In addition to the billing/AR challenge Lori
18 has been on-point to transition to new regulatory required
19 billing tools for sending claims and receiving electronic
20 payments. The organizational knowledge of the McKesson system
21 has been limited and not readily available from our IT
22 department" -- that's the computer department -- "and required
23 a great deal of contact with the vendor and liaison with our
24 IT department, and trial-and-error to test multiple attempts.
25 She has persevered and has successfully tested and prepared to

1 comply with the new requirements by the required date."

2 Q. So could you explain what you had to do to successfully
3 achieve this result?

4 A. Okay. The change there was an electronic transmission
5 format that Medicare and then other insurances changed to.
6 Medicare's final date that you had to have it was March of
7 2012.

8 The prior version was called 4010, and the second version
9 that we were transferring to was called 5010. So first I had
10 to learn about those transitions and what requirements we had
11 to make with vendors and other companies or staff that we
12 worked with. The hospital itself had a group from the
13 physician offices, the hospital offices, and myself, and we
14 would each weekly state what next step or where we were in the
15 process.

16 The computer department, the IT department, would receive
17 new claim formats from our software vendor, McKesson. They
18 would install it on our servers. They would then ask me to
19 test it. So in a test mode we would be able to pick a claim
20 and send them to Medicare.

21 It -- the claim formats changed many, many times, and even
22 after the deadline, it wasn't until like the end of September
23 2012 that I finally got to send in live a Medicare secondary
24 claim form to Medicare in the 5010 format. So it's a tedious
25 step-by-step process.

1 Q. Would you take a look at the next page of the exhibit and
2 read that highlighted section, please.

3 A. Okay. Read the top highlighted?

4 Q. Yes.

5 A. These are comments I made on evaluation. I say that "I
6 have uncovered billing problems and had to correct claim
7 formats, transitioned to the Medicare Rehab Thresholds billing
8 process, and did much testing to put Harrison Home Health into
9 5010 production. The Medicare secondary payer claim formats
10 for Horizon Homecare have not worked well and I will be
11 reviewing all these claims again to process with the 5010 MSP
12 from Horizon Homecare. Since Horizon Homecare had to make the
13 Medicare secondary payer formats compliant for 5010 I am
14 hoping that they will work without errors. We also have
15 processes to improve when insurances change from commercial to
16 Medicare secondary payer and Medicare secondary payer to
17 Medicare. And, processes to improve with Face to Face. I
18 have put these out with our home health management team and we
19 will improve on these with Lean 6 Sigma or with thorough
20 process review."

21 Q. Okay. So what you describe, or what you just stated
22 there, that -- how long were you working on this process,
23 trying to improve it?

24 A. Well, the thresholds, about a year at that time. It was
25 newly implemented and we kept monitoring it.

1 The 5010 started about October 2011, and for regular
2 claims was successful by March of 2012. The only hanging up
3 ones were those where other insurances were primary over
4 Medicare, so the Medicare secondary format for the 5010.

5 The unfortunate thing about that was, I want to say about
6 three years prior, Medicare took away your right -- or your
7 ableness to send a claim with all the primary insurance
8 information to them by paper, or even to directly enter it by
9 typing it into the Medicare system. You had to do it through
10 an electronic data transmission.

11 Q. Okay. Could you read the last highlighted section,
12 please?

13 A. "It is difficult to progress quickly and keep a positive
14 momentum when one must fix and correct so much each day to
15 keep our billing processes in place. Today is an example as
16 three or four of our team, plus clinicians, and IT have to do
17 extra work on a recent found problem of presently 20 episodes
18 not processing into our billing system due to what has been
19 explained by McKesson and IT as an issue with Java software
20 not transmitting data correctly to Horizon Homecare and
21 assigning Oasis Matching Keys/Case Mix Index to the episodes."

22 Q. So how often did you have to call McKesson to deal with
23 issues like you just read about?

24 A. An average of twice a week.

25 Q. Why did you have to call them twice a week?

1 A. It may have been something you did not encounter before.
2 If you tried to look it up on the info center, they -- you
3 will come up with a page of, I don't know, 20 to 100 choices
4 of what might be the problem if you -- and so it's better to
5 talk with someone at McKesson, tell them what you see or what
6 you don't see or what's processing and describe it to them,
7 and then if they want to refer you to the info center, they
8 will give you a specific info center knowledge base number to
9 go to.

10 Now, a lot of those things are what they call workarounds.
11 Say there was -- let's say there's a year and you have 40
12 updates that go on, or -- each one may have bugs in it when
13 they send it to you. They might send patches and you get more
14 and more information programmed into your computer system, but
15 they -- McKesson also tries to tally away, oh, we know there's
16 this bug, so you have to do something in the alternative. So
17 they tell to you do that.

18 Q. And that's what they call a workaround?

19 A. That's a workaround.

20 Q. Okay. Was Diane's review of this evaluation required in
21 order for you to get a salary increase?

22 A. Yes.

23 Q. Was there any other requirements?

24 A. The hospital had goals that they wanted departments to
25 meet that were based on everyone in their department, and then

1 there was -- I think there's just one that's based for the
2 whole medical center, the hospital, physicians, and the home
3 health.

4 THE CLERK: I shut it off until it's admitted. Is it
5 admitted?

6 MR. FULTON: It's the same exhibit. I'm sorry. It's
7 the first page of Plaintiff's Exhibit 6.

8 BY MR. FULTON:

9 Q. Lori, you just explained group goals that needed to be --
10 you had to meet certain group goals.

11 A. Right.

12 Q. And does this page represent those group goals?

13 A. Yes.

14 Q. Okay. So is it your understanding that based on this
15 evaluation your group met those goals?

16 A. Yes.

17 Q. Lori, would you turn to Plaintiff's Exhibit No. 4.

18 A. Okay. I'm on 4.

19 Q. And could you review that exhibit.

20 A. Yes.

21 Q. What is that exhibit?

22 A. It's the letter that I received from the president and CEO
23 announcing that I had received the pay increase.

24 Q. And this letter was addressed to you?

25 A. Yes.

1 MR. FULTON: Plaintiffs move to admit Plaintiff's
2 Exhibit No. 4 into evidence.

3 MR. GALLAGHER: No objection.

4 THE COURT: 4 is admitted. It may be published.
5 (Exhibit 4 admitted.)

6 BY MR. FULTON:

7 Q. Lori, could you read those highlighted sections, please?

8 A. Okay. "On behalf of myself, the Board of Directors and
9 the entire Executive Team of Harrison Medical Center, we want
10 to thank you for your contributions to our organization during
11 the course of the last fiscal year. Your service and efforts
12 continue to move us forward and are very much appreciated."

13 Q. You can go on and read the second highlighted area.

14 A. Okay. The second is: "On June 1, 2012, you will receive
15 a salary increase of 2.5 percent, which will increase your
16 rate of pay to \$36.95 per hour. This increase will be
17 reflected on your June 22 paycheck. This conveys, at least in
18 part, our gratitude for your daily work and its contribution
19 to our success as an organization."

20 Q. Thank you. Lori, the date on that letter was June 22nd?

21 A. Yes, of 2012.

22 Q. Okay. So how long had you been at Harrison at the time of
23 this increase, pay increase?

24 A. One year and two months.

25 Q. Okay. And you had been supervised by Diane Wasson for how

1 long?

2 A. One year. Nearly a year.

3 Q. Okay. During the time that you were supervised by Diane
4 Wasson, did you have regular meetings that you would get
5 together and talk about potential issues or problems that were
6 going on?

7 A. Yes. She scheduled with all the managers and supervisors
8 regular meetings. At first they started out like once a week,
9 and at times some would have to be postponed so they might be
10 once every other week. But probably a minimum of two times a
11 month.

12 Q. And was this a meeting where there was a give and take
13 between you and Diane Wasson?

14 A. Right. It was just informal, bring what current projects
15 you are working on. If you have any questions or if there's
16 new -- new things we have to put in place, we will work on it
17 together and, you know, catch up with each other.

18 Q. At any time during those meetings were you admonished or
19 was there any corrective actions given to you?

20 A. No.

21 Q. Did Diane, or Ms. Wasson, ever tell you that you needed to
22 do a certain task and if you didn't do that, you would be --
23 receive a corrective action?

24 A. No.

25 Q. You have testified that in October -- October was the

1 first time that Ms. Wasson did not accept the credit report,
2 quarterly credit report; is that correct?

3 A. Yes.

4 Q. Did you have any discussions with Stacy Geiger in the
5 finance department in October?

6 A. The only discussion I remember was -- I don't think I had
7 a discussion with her in October, but she did send out an
8 email stating that in approximately a week she was going to be
9 leaving Harrison.

10 Q. Okay. Could you refer to Plaintiff's Exhibit No. 17?

11 A. Okay. You know, I might be -- I might have the wrong
12 month on that because Stacy left at the beginning of October.
13 Yeah. Which page?

14 Q. Page number 4.

15 A. I'm on 4.

16 Q. Yes. I think it's entry number 29.

17 A. Yes.

18 Q. Does that refresh your memory as to what occurred
19 regarding Stacy Geiger?

20 A. Right. Okay. So about a week -- the last week of
21 September, Stacy sent out the email and said, "I will be here
22 about another week. I will introduce you all to the person
23 taking my place next week and that will be the person you send
24 your month-end reporting in to from then on." So in October,
25 the first week, I went and talked to Stacy and met the person

1 replacing her, Jakob. Final reports are due in for the
2 previous month to them on the 2nd. So Stacy was there working
3 with Jakob, telling him the specifics of the month-end
4 reporting.

5 Q. And did you have a separate meeting with Jakob?

6 A. No. Jakob did ask me in the middle of October, a couple
7 weeks after Stacy went, he asked me to re -- to produce for
8 him one of the reports processed routinely in month end, which
9 is called the McKesson overpayment report.

10 MR. FULTON: Permission to approach.

11 THE COURT: You may.

12 BY MR. FULTON:

13 Q. Can you see that?

14 A. Yes.

15 Q. All right. I thought this would be a good time to talk
16 about these reports a little bit. So let's go back to that
17 question. You had a meeting with Jakob. What was Jakob's
18 last name, can you recall?

19 A. Stickly.

20 Q. Okay. So you had a meeting with Mr. Stickly. And what
21 was the -- what was the content of the meeting?

22 A. He asked me to produce a 30 -- only a 30-day state span
23 for an overpayment report. In our monthly end reporting we do
24 the McKesson overpayment report from the inception of the
25 software at Harrison, which I believe is January 1st, 1980, to

1 present. So Jakob wanted me to run the same type of report
2 but only for September 1 to September 30th. I gave him that
3 and asked him if he has any questions or any comments, please
4 let me know.

5 Q. Okay. And did he have any questions or comments?

6 A. No. I never talked to Jakob again.

7 Q. And explain to us, what is that McKesson overpayment
8 report? How is that generated?

9 A. It's basically an already set up forumulative report in
10 the McKesson system. So when you request to print one, you
11 basically are just putting in the dates you want it to start
12 and the dates you want it to end.

13 Q. Okay.

14 MR. FULTON: Permission to approach, Your Honor.

15 THE COURT: You may.

16 BY MR. FULTON:

17 Q. Could you explain what a listing of credit and debit
18 adjustments are?

19 A. All right. The -- I have trouble with this question,
20 because the McKesson over -- overpayment report. McKesson --
21 I finally learned from McKesson that it's not about true
22 overpayments but the series of adjustments. Now, adjustments
23 could be something you receive as you receive payments from
24 Medicare, or any insurance, and it could be a debit or a
25 credit. You can receive adjustments if you put in adjustments

1 into the system as a debit, if you send out a refund. So the
2 balance on your accounts receivable is a credit. When you pay
3 the money back to whom it's owed, you debit the account, and
4 then that puts the account to zero. But I've not had an
5 explanation of where the debits and credits or what type of
6 adjustments make up the McKesson overpayment report.

7 Q. So do you know where the data originates from?

8 A. No.

9 Q. Did McKesson ever tell you where the data originates from?

10 A. No. And I had learned what I learned from them like
11 November the 6th, also.

12 Q. Now, is the McKesson overpayment report part of a
13 month-end process?

14 A. Yes.

15 Q. So you do -- you prepare those reports every month?

16 A. Yes.

17 Q. So for the -- up until October of 2012, were you ever
18 questioned about McKesson's overpayment report?

19 A. No.

20 Q. And where does the overpayment report go to? Where is it
21 sent?

22 A. Finance.

23 Q. Is it also sent to Diane Wasson?

24 A. Yes.

25 Q. So Diane Wasson received the McKesson overpayment report

1 every single month that you worked with her; is that correct?

2 A. Right. She actually receives all the reports because we
3 put them in a special file on the home health share drive.

4 Q. Now, when you talked to McKesson, is the McKesson
5 overpayment report tied to another report, or should it be
6 tied to another report?

7 A. No.

8 Q. Okay. Were you ever told that the McKesson overpayment
9 report should be tied to another report?

10 A. I was asked by Diane Wasson why our overpayment report
11 total does not match the credit column on the McKesson monthly
12 accounts receivable reconciliation report.

13 Q. The MARR?

14 A. Yes. So I think from the acronym we are going to call it
15 the MARR.

16 Q. Okay. So you were told that the final figure should not
17 match the credit balance of the MARR.

18 A. That's what McKesson said.

19 Q. Okay. But Diane Wasson told you to find an answer for
20 that?

21 A. Right. Yes.

22 Q. So we just shortened it to MARR, but what exactly is in
23 the MARR report?

24 A. All right. That is an overview of your month by column.
25 You start out with the accounts receivable balance from the

1 previous month. You have your new charges, adjustments,
2 payments, refund, and your new accounts receivable balance is
3 the ending number.

4 Q. Okay. So when did you learn that the credit balance on
5 the MARR report should match the McKesson overpayment report?
6 When did you learn that?

7 A. November 6, 2012.

8 Q. Okay. And how did you learn that?

9 A. Doing research to find the problem that Diane Wasson asked
10 me to find.

11 Q. Okay. So tell me what you did to -- what was your
12 research? What did your research encompass?

13 A. First, I reran the report to make sure no typographical
14 error or date error had occurred and I came up with the same
15 answers and I let Diane know that.

16 And then I went back and called the McKesson support
17 department and let them know what question I was being asked
18 and asked them if they have any information about this. And
19 then they gave me the definition, you know, and stated that
20 the McKesson over-reporting monthly report and the credit
21 total on the MARR do not match. They are not intended to
22 match, they are not going to match.

23 And so I went back, let Diane Wasson know that, and I
24 explained it to her in the very same words that McKesson told
25 me. She says, "Well, I don't know the answer, and finances is

1 asking us this question. Keep working on it."

2 Okay. So I called McKesson support again, and I learned
3 from Tiffany there, as we brainstormed, I said, please, you
4 know, help me out. What -- what ties to all of this with --
5 what could make them different? And where does the
6 information come from? And she says, okay, let's start at the
7 beginning. Every day do you do your generation end report?
8 For short we call it GenEnd. It pulls all the financial
9 information about an episode together to produce the claim.
10 So I said, all right, we do that every day. And she says, do
11 you do an update mode? I said yes. She said, do you do it
12 for adjustments or for adjustments and revenue? And I said,
13 well, I do it every day, as the instruction manual I was given
14 here at Harrison says, and that says affect adjustments and
15 the revenue daily. It's my daily manual. She goes, no, we
16 suggest it be done just at the beginning and end of month.
17 And I go, well, yes, before we begin our end-of-month process
18 we have a separate, different criteria we put on the GenEnd
19 report. She said, just hold on a minute.

20 So I grab my book off the shelf, flip to the page because
21 McKesson, I consider that an off-the-shelf program. You buy a
22 shell of it. No, you don't have the programmers on your site
23 who wrote it. When each company gets a program like that,
24 they -- they have people who work with the software company
25 and with the computer people and some finance people and they

1 decide how they want that company -- how that company wants to
2 do their process.

3 MR. GALLAGHER: Your Honor, objection. I don't know
4 that there's a posed question right now. We're again in the
5 middle of just a long narrative.

6 THE COURT: We want to avoid long narratives on the
7 one hand. On the other hand, sometimes answers just require
8 longer explanations.

9 So ask another question.

10 MR. FULTON: Okay.

11 BY MR. FULTON:

12 Q. Lori, after hearing the explanation from McKesson support,
13 you said you reviewed your manual again?

14 A. Yes.

15 Q. Okay. After you reviewed your manual again, did you --
16 did you talk to McKesson again?

17 A. I just let her know what I saw in my manual, and we -- you
18 know, I said, "I probably will have to get back with you on
19 this and I may need you to work with me more on it."

20 Q. Did you have any discussions with McKesson about what
21 pressing -- incorrectly pressing that GenEnd process would do
22 to your payments, or impact the payments and the postings?

23 A. I did. That was the one last question I did ask her, and
24 she said she did not know and she in turn would do some
25 research and get back with us.

1 Q. Okay. When you heard that you had been for over a year,
2 year and a half now -- is that right?

3 A. Yes.

4 Q. That you had been processing payments incorrectly for a
5 year and a half, what did you think?

6 A. I don't know of any incorrect payments, but GenEnd process
7 we had been doing incorrectly. And because we were affecting
8 revenue, you must do the process even multiple times in a day,
9 depending on how many final claim batches you have in the
10 corrections.

11 So I'm going, okay, I'm affecting the revenue more times
12 than I should. I don't see anything wrong on my actual
13 claims, but I could -- something could be happening that I
14 don't see in the electronic format. I could be -- we could be
15 overcharging Medicare. I thought, okay, this is a compliance
16 issue, and I take it to Diane Wasson. Anyway, it was my first
17 step of research to help answer the question, but I gave it to
18 her, and I said, "This manual you gave me specifically says to
19 do it this way. I have been doing it. Now McKesson tells me
20 it's wrong. It looks like it could be a big problem."

21 And she says, "Okay," and she took my manual, and she
22 says -- because it was the end of the day, she said, "We will
23 work on it again tomorrow."

24 Q. So when you first brought your manual to Diane and
25 explained to her what had happened, was she alarmed?

1 A. Yes, she looked alarmed. She didn't -- she just said, "We
2 will work on it tomorrow."

3 Q. Okay. So what day was that, to the best of your memory?

4 A. That was election day, so it was a Tuesday. Tuesday, the
5 6th of November, 2012.

6 Q. How can you remember that date so well?

7 A. Because the next day I was suspended.

8 Q. Okay. Did you have any further conversations with Diane
9 before you were suspended?

10 A. No.

11 Q. Okay.

12 MR. FULTON: Permission to approach.

13 BY MR. FULTON:

14 Q. So explain again, what actually did you hand to Diane?

15 A. It would be book 1, part one. I call it the daily billing
16 manual.

17 Q. Okay. And again, that's the manual, and what's -- that's
18 just for daily billing; is that correct?

19 A. Yes.

20 Q. Okay. And you physically handed that manual to Diane?

21 A. I did.

22 Q. Okay. What happened on November 7th?

23 A. When I arrived to work -- excuse me -- when I arrived I
24 had an email from Diane, and she asked me for a total aging
25 report that was current and a Medicare aging report that would

1 be listed out by individual patient. Then there was the
2 morning office meeting, which is about 15 minutes. I had the
3 reports done, I take them to Diane, and all she did was take
4 them and say, "I will get back with you, but don't work on
5 anything we worked on yesterday."

6 So I went back to my desk because everything I do is
7 prioritized. It's prioritized by daily, weekly, monthly,
8 quarterly, yearly, and even by time of day.

9 The office we send our Medicare claims to is in the east,
10 so my claims have to be accepted by one o'clock or they are
11 not for the current day. If I'm working with McKesson,
12 they're in the central time zone, so I'm losing hours there.
13 So you always want to fill in and multitask all day long.

14 So I went and I was having a conversation with my
15 part-time billing person, Sam, because she was going on
16 vacation the next day and I was going to be doing some of her
17 work, so we were doing our course -- you know, conversation:
18 Where are you with this? Where are you with that? And what
19 do you want me to do while you're gone? Diane comes up to us
20 and asks me to go to a meeting with her.

21 Q. Okay. Who was involved in this meeting?

22 A. The meeting was with Karen Holland, Diane Wasson, and
23 myself.

24 Q. And what was discussed in that meeting?

25 A. Diane had said, "We've been working on some things. I

1 don't think you've described them adequately. We're finding
2 that there are big problems everywhere. They're very serious.
3 I believe they are fraudulent, and we have been there working
4 on the Medicare credit report and then there's the issue of
5 overpayment and the credit column." Exactly, you know,
6 which -- you know, I would take all of that into account and
7 say those are the problems. And Karen Holland is asking, do
8 you -- you know, "Are you aware of what she's talking about,
9 this work you've been trying to do?" And I said, "Well, yes,
10 we've been trying to do that work." And I said we've been --
11 you know, I say again, "We've been working on these Medicare
12 accounts and it's not right." And I said, "Well, you're
13 telling me then Medicare fraud is happening," and so that
14 really scared me because the one thing you never want to hear
15 is Medicare fraud. You don't want to be questioned.

16 So I asked if the police were going to be coming? Should
17 I expect them, you know. Am I going to walk out of the room
18 and see them, because my thought was, something so serious,
19 even, I thought, before someone starts mentioning that, you
20 would see auditors or you would see -- I don't know -- federal
21 people or someone from Medicare. And they just snickered.
22 And then Karen Holland went on to say I was going to be
23 suspended. And Diane mentioned, "You don't have to talk to
24 anyone above us because everybody knows. I've had to report
25 that to everybody." And I thought, well, now that's kind of

1 unusual, too, because I would have thought a compliance
2 officer or Diane's boss or someone would be questioning me
3 also. But they just said, "Oh, we just want you to go home.
4 There's going to be an internal investigation."

5 And I go -- again, I come back to the police. "When I go
6 home in a few hours, are they going to come and get me or
7 what?" I thought, I don't want to be arrested.

8 And so they said, "No, we just want you to go home. We
9 will call you when we are done or when we have questions for
10 you." And then they said, "You are going to have to turn in
11 your keys and your badges." It was just humiliating. It was
12 like -- I guess people describe something like that as deer in
13 the headlights. I work every day, every day, and then in one
14 second this is happening and I have never been in trouble at
15 school or on -- at work before. Not even someone complaining
16 that I'm not doing something like they like.

17 So I say, "Well, if you" -- and they have no documents.
18 They have nothing. You would think they would have -- I'm a
19 supervisor. If I even counseled someone, I have to write up
20 several documents, and one goes in their personnel file, and
21 they -- they didn't have anything. They didn't have anything
22 that says we're putting you on suspension or any details.

23 So I say, "This is very humiliating. Please don't take
24 those things from me in front of the other people." So Karen
25 escorted me to my desk. We locked it up. I got my purse, and

1 I said, "I have some shredding here." Financial documents or
2 documents that I have patients' names on it or proprietary
3 information for your company are confidential. And we have a
4 shredding bin. It's secured, it's locked. So I said, "We
5 have to stop and do that." I did want to say one thing to
6 Sam, and I went over to Sam. I let her know, "I have to
7 leave. If you have any questions, please see Diane." We went
8 to the shredding bin, and we went back to the room.

9 And they just sit there like I'm going to hand over my --
10 my identity and everything to them. I said, "Well, are you
11 going to give me a receipt?" And they are like looking at
12 each other, like what is she talking about, you know, as if
13 these things are important to her. And I said, "You don't
14 have any documents here that's saying why I'm not going to be
15 on my job. You're going to at least give me something to show
16 you took these things from me."

17 And so Karen goes to her desk and she comes out, she
18 goes -- and she writes on the back of her business card, and
19 she scribbles, "We got the two badges from Lori and five
20 keys." And she hands it to me, and I go, "Well, at least I
21 have this." And then she escorts me out of the building, and
22 their requirement was, if you are a manager, you punch in but
23 you never punch out, and so I was glad at least I have the
24 little business card that says what time I left. And the
25 importance of that is that knowing I wasn't going to be back

1 soon or I had no control of my -- my documents and my
2 credentials as far as passwords and things into Medicare and
3 other systems, anybody with my notebook, you know, my
4 information is there somewhere with my ID on it. You can't
5 memorize all of that. And so I wanted at least something that
6 said when I had left. I didn't get to punch out. So at least
7 she had wrote on there what time it was, also.

8 And I drove home. I suppose I shouldn't have, but I did.
9 And as bad as I felt and as much as -- as much as I was
10 shaking, I got home. I should have called somebody, but I
11 didn't want to call my husband because I didn't want him to
12 worry about me on my way home. So I got home, and when I
13 first spoke with him later he said I looked like a ghost.

14 (Counsel hands witness a Kleenex.)

15 A. Thank you.

16 Q. Do you need a minute?

17 A. (Nods head.)

18 THE COURT: We will take our recess for the day.
19 We're close to the 4:30 time.

20 I want you to have a peaceful and good evening and come
21 back tomorrow. It will be 9:00 o'clock. Please do not
22 discuss the case or do any research on your own. There will
23 be a slight deviation again tomorrow on the calendar. That
24 is, we will go until 11:30 in the morning and start up again
25 at 1:00. So we're moving again the lunch hour up a half hour.

1 THE CLERK: All rise.

2 THE COURT: See you tomorrow.

3 (Jury excused; 4:25 p.m.)

4 * * * * *

5 (Remainder of the day not ordered.)

6 * * * * *

7

8 WEDNESDAY, APRIL 1, 2015

9

10 MORNING SESSION

11 (Jury not present; 9:00 a.m.)

12 * * * * *

13 (Proceedings not ordered.)

14 * * * * *

15 MR. FULTON: Plaintiffs would like to call Lori Cook
16 back to the stand.

17 THE COURT: All right.

18 LORI COOK, resumed stand.

19 THE COURT: I will simply remind you that you are
20 still under oath.

21 DIRECT EXAMINATION (Continuing)

22 BY MR. FULTON:

23 Q. Good morning, Ms. Cook.

24 A. Good morning.

25 Q. How are you doing?

1 A. Holding in here.

2 Q. Okay. We're going to resume talking about the days after
3 you came to Ms. Wasson with your information and the billing
4 manual.

5 A. All right.

6 Q. Yesterday you testified that November 7th, you had a
7 meeting with Diane Wasson and Karen Holland; is that correct?

8 A. Correct.

9 Q. After that meeting, what was the next time you had any
10 conversations with either Diane Wasson or Karen Holland?

11 A. About one week later Karen called my home one morning and
12 was talking about setting up another meeting, and then she
13 sent an email or two in between.

14 Q. Okay. So you had no -- were there any further sensitive
15 conversations you had with either Diane Wasson or Karen
16 Holland?

17 A. No.

18 Q. So how did they leave the meeting then on November 7th?

19 A. I should go home and wait.

20 Q. Would you turn to Plaintiff's Exhibit No. 14.

21 A. Yes.

22 Q. And could you tell the jury what that is?

23 A. It was -- it is a letter where I state my decision not to
24 resign.

25 Q. And what is the date of the letter?

1 A. November 27, 2012.

2 Q. And this letter was written by you?

3 A. Yes.

4 Q. And that's your signature?

5 A. Yes.

6 MR. FULTON: Plaintiffs move to enter Exhibit 14 into
7 evidence.

8 MR. GALLAGHER: No objection, Your Honor.

9 THE COURT: All right. 14 is admitted and may be
10 published.

11 (Exhibit 14 admitted.)

12 BY MR. FULTON:

13 Q. Would you please explain why you wrote this letter, Lori?

14 A. At the meeting where I was asked to resign or there would
15 be consequences, and I asked Karen Holland what the
16 consequences were, and she said, "Well, you would be
17 terminated." And I said, "That's a big decision. May I have
18 a day or two to think about it?" And I said, "I will respond
19 to you in writing." So then I made my decision, drafted the
20 letter, and sent the letter to them.

21 Q. Okay. Could you read that highlighted section.

22 A. "During this process you have refused to honor my requests
23 for a written reason why I was suspended to include criminal
24 acts, no written reason for the severance offer above,
25 refusing to send me in advance the questions to be discussed

1 at the November 26, '12, meeting, refusing to allow me to have
2 a neutral witness at the 11/26 meeting, and foremost because I
3 have done nothing wrong I am declining your offer to resign as
4 the billing manager of Harrison Home Health."

5 Q. Now, I have taken this letter. You wrote some letters
6 before that, didn't you? Did you write a few letters before
7 this? Before 1/27, did you send other letters to Harrison?

8 A. No. Before November 27, I had not sent any other letters.
9 I may have responded with a date and a time on an email to
10 Karen when I could attend a meeting.

11 Q. Okay. So before 11/27, Harrison had given you an
12 ultimatum, either resign or be terminated?

13 A. Yes.

14 Q. Can you recall approximately when that was?

15 A. November 26, 2012.

16 Q. November 26. And how was that -- did they present that to
17 you in writing or through a conversation? How was it
18 presented to you?

19 A. Through conversation.

20 Q. And conversation with whom?

21 A. Karen Holland and Diane Wasson.

22 Q. Okay. So were you in a meeting sitting in front of them?

23 A. Yes.

24 Q. And at that meeting, they informed you that you can either
25 resign or be terminated?

1 A. Yes.

2 Q. Okay. Lori, can you refer to -- actually, it's
3 Defendant's Exhibit No. A-6, and I don't know if you have a
4 copy of defendant's exhibits.

5 A. All right, I have it.

6 Q. Okay. Can you -- do you recognize this exhibit?

7 A. Yes.

8 Q. And is this an email that was sent to you?

9 A. Yes.

10 Q. And what's the date this email was sent to you?

11 A. 11/28/2012.

12 MR. FULTON: Plaintiffs move to have Exhibit A-6
13 admitted.

14 MR. GALLAGHER: No objection.

15 THE COURT: All right, A-6 is admitted.

16 (Exhibit A-6 admitted.)

17 THE COURT: It may be published.

18 BY MR. FULTON:

19 Q. Okay, Lori, can you explain this email to the jury?

20 A. Okay. On the -- when I had left the last meeting with
21 Karen and Diane, I said that I would respond to them within a
22 day or so with my decision. My husband and I were having
23 trouble at our home at that time. On the Sunday before, our
24 well had been broken, all the well pipes and so forth, so we
25 were working with -- well, installers, the health department,

1 and so forth, trying to put in place getting a new well. So I
2 had left her a message and told her, "I am sending my
3 decision. You will get it in writing." And so she writes --
4 she calls me back, leaves me a voicemail, and this email, too,
5 saying she had left a couple of messages, you know, and she's
6 awaiting my letter, and she says that she's awaiting my letter
7 so she can respond to Washington Unemployment, which I'm not
8 really -- I don't know why she would have to do that. She
9 would be able to answer the questions that Washington
10 Unemployment would give to an employer, why have you suspended
11 this person, what day, and so forth. But she's asking me to
12 send to her at least the letter that I'm sending to her ahead
13 of time so she can respond. And then she reminds me there's
14 just a small window of opportunity for their offer, and just
15 for me -- you know, she's waiting for my contact.

16 Q. Okay. So you had already sent Exhibit No. 4 -- I'm sorry,
17 Exhibit No. 14, which we first -- what we just published a
18 minute ago, you had already sent that letter before you read
19 this email?

20 A. Yes.

21 Q. Okay. Would you now turn to Plaintiff's Exhibit No. 13.

22 A. Okay, I'm on 13.

23 Q. Okay. And what is that?

24 A. It is a copy of a December 7th, 2012, letter that I
25 received from the human resource executive director.

1 Q. Okay.

2 MR. FULTON: Plaintiffs move to admit Plaintiff's
3 Exhibit No. 13 into evidence.

4 MR. GALLAGHER: No objection, Your Honor.

5 THE COURT: 13 is admitted and may be published.

6 (Exhibit 13 admitted.)

7 BY MR. FULTON:

8 Q. Lori, is this the letter that is in response to the letter
9 you sent on November 27th?

10 A. Yes.

11 Q. Okay. And so what was Harrison's response?

12 A. She's saying in light of my decision not to resign,
13 Harrison will continue the forensic investigation into billing
14 irregularities. Any prior offer are null. "Depending on the
15 outcome of the investigation, we may decide to reinstate your
16 employment, with or without back pay, or take other action,
17 including ending your employment for cause." And then she
18 says the reason you were suspended is multiple billing
19 irregularities. She also asked me for my continued
20 cooperation in the investigation and states that I may be
21 called in for meetings with third-party investigators and I
22 would be paid for that time. I am currently -- continue to be
23 suspended without pay until further notice. And if I have any
24 questions, I may call her.

25 Q. Okay. So as of the date of this letter, Harrison had not

1 done an independent third-party investigation; is that your
2 understanding?

3 A. I don't know. It does appear that way from the letter.

4 Q. Were you ever provided with any information about an
5 independent third-party investigation?

6 A. No.

7 Q. Could I have you turn to Plaintiff's Exhibit No. 12?

8 A. I'm on 12.

9 Q. What is that exhibit?

10 A. It's a letter that I sent certified to Harrison Home
11 Health January 29, 2013.

12 Q. This is a letter that you sent?

13 A. Yes.

14 MR. FULTON: Plaintiffs move to have Plaintiff's
15 Exhibit No. 12 admitted into evidence.

16 MR. GALLAGHER: No objection.

17 THE COURT: 12 is admitted and may be published.

18 (Exhibit 12 admitted.)

19 BY MR. FULTON:

20 Q. Lori, what's the date you sent this letter?

21 A. January 29, 2013.

22 Q. So how long has this been since your suspension?

23 A. Two months, two-and-a-half months.

24 Q. Could you read the highlighted portion of that letter,
25 please?

1 A. Okay. "On 11/6-11/7/2012 I found and verified with
2 McKesson Software Support that the Harrison Home Health
3 instruction manual given to me to follow when I began at
4 Harrison stating to run the GenEnd report to update revenue
5 daily is wrong. McKesson Support stated that the GenEnd
6 report to update revenue should be ran only once per month
7 just before processing the month-end reports. I immediately
8 gave this information to Diane Wasson to help with the report
9 and account review we were working on together. Has this
10 information been helpful?"

11 Q. Did you receive a response to this letter?

12 A. No.

13 Q. Okay.

14 MR. FULTON: Permission to approach the witness.

15 THE COURT: You may.

16 MR. FULTON: Thank you.

17 You can't see.

18 BY MR. FULTON:

19 Q. Now, the letter you just read, you referenced the manual
20 that you gave Diane Wasson; is that correct?

21 A. Correct.

22 Q. Okay. Now, which manual did you give Diane Wasson?

23 A. The book 1, the one that would be on the left.

24 Q. Okay. Again, that book 1 is comprised of what?

25 A. Daily instructions for running GenEnd and processing your

1 claims.

2 Q. Okay. And book 2 refers to what processing?

3 A. The month-end process.

4 Q. Okay. Two different set of duties?

5 A. Yes.

6 Q. Okay. I will now have you turn to Plaintiff's Exhibit No.
7 19.

8 A. Okay. I'm on 19.

9 Q. Okay. Now, can you describe what 19 is? Or what is
10 Exhibit No. 19?

11 A. I'm not sure what it was originally called, but at my
12 deposition it's some document that the defendants brought.

13 Q. Okay. The first time you saw this document was at your
14 deposition?

15 A. Yes.

16 Q. And at your deposition, did defendant tell you that this
17 was the document that Diane Wasson received from you?

18 A. Yes. I think they asked me, "Did you give this to Diane
19 Wasson?"

20 Q. Okay. So defendants were alleging that this was the
21 document that you gave Diane Wasson?

22 A. Yes.

23 Q. Okay. And at your deposition, what did you say?

24 A. Can I look further into it?

25 There's multiple pages, and they are all -- the numbers

1 are changing all over.

2 Q. Hold on. I will walk you through it so they will be short
3 questions.

4 A. Okay.

5 Q. First question, did you tell defendants that this was the
6 document that you presented to Diane Wasson?

7 A. I said it was not the document I produced.

8 Q. You said it was not. Okay.

9 MR. FULTON: Plaintiffs move to introduce Exhibit No.
10 19 into evidence.

11 MR. GALLAGHER: No objection.

12 THE COURT: 19 is admitted and may be published.

13 (Exhibit 19 admitted.)

14 BY MR. FULTON:

15 Q. This will make it easier for us.

16 THE COURT: For the record, when you speak about a
17 document within 19, if you would state the Bates number.

18 MR. FULTON: Yes, Your Honor.

19 BY MR. FULTON:

20 Q. This is actually numbered as Plaintiff's Exhibit No. 19,
21 and it's number 4.

22 A. Okay.

23 Q. Lori, could you explain what this screen shot is?

24 A. Yes. It's a McKesson screen where services are listed.

25 The services generate from clinician reports and laptops, is

1 sent to the billing section, and we call this enter services.

2 Q. Okay. So this screen shot, would you find this screen
3 shot in your daily section of your manual or would you find
4 this in your monthly section of your manual?

5 A. Month end.

6 Q. So had you seen this particular section before?

7 A. In my month-end manual.

8 Q. Okay. Now, did you provide your month-end manual to Diane
9 Wasson?

10 A. No.

11 Q. But you don't disagree that that is from your month-end
12 manual?

13 A. Correct.

14 Q. Now, earlier you testified that John Miotke prepared and
15 created the manuals that you use.

16 A. That's what I was told.

17 Q. Okay. Is there anything on the manual that you use that
18 indicates who the author was?

19 A. Yes. Starting at the top left, you read the title enter
20 service-selective batch, and then you draw your eyes down
21 about four lines, it states batches created by, and JMiotke
22 comes up because he was the person creating it and the system
23 pulls it from his identification in the system.

24 Q. Okay. Are there any dates on when the Windows batches
25 were pulled? Can you indicate -- does the document indicate

1 when the approximate time this batch would have been pulled?

2 A. July 2010.

3 Q. And the manuals that you had, were there a series of
4 screen shots like this pulled from -- during -- pulled by John
5 Miotke?

6 A. Yes.

7 Q. Okay. Now, describe what the daily manual looked like.
8 Was it similar to this monthly manual?

9 A. Yes. Where it would have the screen shot, and then some
10 typed instructions, and sometimes people may write on the
11 pages. I remember John had a couple of notes in there.

12 Q. Okay. Would you take a look at Bate stamp number 6.

13 A. Okay.

14 Q. Of Plaintiff's Exhibit No. 19.

15 A. Okay, I'm on it.

16 Q. Okay.

17 THE COURT: When we refer to the Bates number, we
18 refer to the bottom right-hand corner. Mr. Fulton is
19 referring to the last digit that is shown on the number. If
20 you would push that up so the jury will understand. You also
21 see it's a little difficult to read the number. It's been
22 changed there, but that reflects -- the last three digits are
23 146, not 145.

24 MR. FULTON: Thank you.

25 BY MR. FULTON:

1 Q. Lori, who was Sam Hubbard?

2 A. Sam Hubbard was the person below me who did payroll. She
3 did enter service and she did some commercial billing.

4 Q. Okay. Now, when you came to Harrison, was Sam Hubbard
5 already an employee?

6 A. She was.

7 Q. Do you know what Sam Hubbard's role was when John Miotke
8 was at Harrison?

9 A. She had the same role as she had under me.

10 Q. Okay. And so did you have any discussions with Sam
11 Hubbard about the -- both, either the daily or the monthly
12 manuals?

13 A. I only had discussions with Sam about the daily manual.
14 She -- the daily manual she introduced to me because after
15 John left, she was processing whatever billings she could. So
16 she had some instructions on how to do the daily GenEnd RAP
17 first claims, and she sent out some final claims. She did not
18 have any training or experience beyond that.

19 Q. Okay. So these training manuals were helping Sam Hubbard
20 do her job?

21 A. Yes.

22 Q. I would have you refer to Plaintiff's Exhibit No. 19, Bate
23 stamp number 7.

24 A. Okay.

25 Q. The next page. Do you recall that writing where it says

1 "month end," "month end"? Was that in any manual you saw
2 while at Harrison?

3 A. No.

4 Q. Again, this manual that we're looking at now is for
5 month-end billing; is that correct?

6 A. Yes.

7 Q. I will now have you turn to Bate stamp 9, Plaintiff's
8 Exhibit 19.

9 MR. GALLAGHER: Could I have counsel also refer to
10 the Bate stamp number on the lower right-hand corner of the
11 exhibit? We don't have a Bates number on the copy that I've
12 got.

13 MR. FULTON: You don't?

14 MR. GALLAGHER: No. We do have the Bate stamp
15 numbers in the lower bottom starting HMC. That would allow us
16 to track.

17 MR. FULTON: This is also indicated as HMC000148.

18 THE COURT: Mr. Gallagher, do you have the amended
19 Bates number down there with the red superimposed?

20 MR. GALLAGHER: We have it in black and white, but it
21 looks like something might have been stamped over it.

22 THE COURT: It is difficult to read. They are in
23 sequence, however. It might be good for you at the break to
24 handwrite in at the bottom just simply the number that you are
25 referring to in that last digit of that Bates number so it can

1 be consistent for the jury's understanding.

2 MR. FULTON: I will, Your Honor. Thank you.

3 BY MR. FULTON:

4 Q. Lori, could you identify what this page refers to?

5 A. It's a student guide from McKesson.

6 Q. And how do you know it's a student guide?

7 A. It's typed on the bottom of the page.

8 Q. So you're referring to the bottom where it says "Horizon
9 Homecare... Student Guide"?

10 A. Yes.

11 Q. Have you ever seen this document?

12 A. No.

13 Q. I'm sorry.

14 A. Sorry. I thought you were finished.

15 Q. I'm sorry, I did too. Have you ever seen this document
16 presented to you in a manual at Harrison?

17 A. No.

18 Q. Could you read to the jury what that writing is on the
19 side.

20 A. "This packet provided by Lori Cook, indicating this
21 material was provided software vendor in response to," I can't
22 read the next word, "question."

23 Q. Okay.

24 A. "...how to procedures for billing."

25 Q. Okay. So do you believe that handwriting is the

1 handwriting of Diane Wasson?

2 A. It is possible.

3 Q. The key question is, is that the packet you provided to
4 Harrison?

5 A. No.

6 Q. Is that student home guide the guide that John Miotke
7 prepared for you?

8 MR. GALLAGHER: Objection. Foundational.

9 THE COURT: If you want to ask some foundational
10 questions as to how she might know.

11 MR. FULTON: Okay.

12 BY MR. FULTON:

13 Q. Lori, I'm going to ask you some more questions about this
14 document.

15 A. Okay.

16 Q. Do you see any indication on that document that it was
17 prepared by John Miotke?

18 A. No.

19 Q. Okay. And the monthly packet that you received was
20 prepared by John Miotke; is that correct?

21 A. Yes.

22 Q. And it was -- is it your testimony that the daily packet
23 was nearly just as similar as the monthly packet?

24 A. Yes, but different topic.

25 Q. But in terms of screen shots pulled by John Miotke

1 indicating McKesson software screen shots?

2 A. Yes.

3 MR. FULTON: This is Bate stamp number HMC000153, and
4 this is the plaintiff's Bate stamp number 14.

5 A. Can you repeat the number, please?

6 BY MR. FULTON:

7 Q. 19. I'm sorry, it's 14. Plaintiff's Exhibit No. 19, page
8 14. Bate stamp 14.

9 A. Will you scroll up to the bottom? I'm not getting a
10 matching to those numbers.

11 Okay, now I have it.

12 Q. My fault.

13 A. Well, I'm going kind of cross eyed reading these numbers
14 here.

15 Q. Okay. All right.

16 Yesterday you explained what the SCIC was.

17 A. Yes.

18 Q. Would you explain again what that is?

19 A. Sudden change in condition.

20 Q. Okay. And you also testified that the SCIC was
21 discontinued.

22 A. Yes.

23 Q. In what year was it discontinued?

24 A. At the end of 2007.

25 Q. End of 2007. Based just in reference to SCIC alone, what

1 does that tell you when this student home guide was published
2 or created?

3 A. A long time ago.

4 Q. To cover 2007?

5 A. Right.

6 MR. FULTON: This is Bate stamp HMC000156, and it's
7 plaintiff's 17.

8 BY MR. FULTON:

9 Q. Lori, could you take a look at the highlighted dates in
10 the episode beginning period at the top of that document?

11 A. It appears that's something from 2005.

12 Q. Through what year?

13 A. 2006.

14 Q. Okay. Based on your review of that document, the SCIC,
15 the date of the screen shots, in your opinion, when was that
16 document created?

17 A. 2005.

18 Q. At any time that you worked at Harrison, were you provided
19 with the student home care manual covering the period of
20 between 2005-2007?

21 A. No.

22 Q. Lori, I want to go back to the weeks and the months after
23 you were on suspension and then ultimately terminated. What
24 was the date that you were finally told that you were
25 terminated?

1 A. 3/14/2013.

2 Q. Okay. You've testified that, I believe, on 11/26 you were
3 given a choice to resign or be terminated.

4 A. Yes.

5 Q. Did you later have any meetings with Harrison regarding
6 trying to provide you with compensation even though they had
7 told you that you were going to be terminated on 11/26?

8 A. I had a meeting of such about a month after I was
9 terminated.

10 Q. Okay. Could you tell me what that meeting was?

11 A. Again, it was with Karen Holland and Diane Wasson.

12 Q. And what was the general conversation or discussion at
13 that meeting?

14 A. They gave me a document, asked me to read it over, and if
15 I had any questions, I could ask them. They said it was just
16 some compensation they wanted to give me for the time that I
17 had been out. Basically it was my vacation pay that I had
18 accrued and a little bit more money. And then just, you know,
19 making -- asking me not to ever talk about this or how my --
20 none of my family to talk about it to anyone. And also there
21 was a paragraph about I have the right to seek an attorney.

22 Q. So Harrison provided you with a document that you were
23 supposed to review, and you had an opportunity to review that
24 with attorneys or whoever else you wanted to?

25 A. Right. I don't remember how many days I had --

1 Q. Okay.

2 A. -- to do that.

3 Q. And approximately when were you presented with that
4 document?

5 A. April 12th sticks in my mind.

6 Q. Okay.

7 A. I don't recall if that's exactly right.

8 MR. FULTON: Plaintiffs move to admit into evidence
9 Exhibit No. 16.

10 MR. GALLAGHER: Your Honor, I guess I object based on
11 relevancy grounds. I don't know why a release covered under
12 Rule 408 would be offered as an exhibit in this case.

13 THE COURT: We will take our morning recess. As you
14 recall, we are going to break for the noon hour at 11:30, so
15 we will take a 15-minute recess now.

16 THE CLERK: All rise.

17 (Jury excused; 10:09 a.m.)

18 THE COURT: You may step down.

19 I thought this particular objection needed to be dealt
20 with outside the presence of the jury. If you could explain
21 your theory of relevance now. I was concerned about this
22 document when I saw it listed because it appears to be some
23 sort of offer of settlement, but you haven't raised that
24 objection.

25 MR. GALLAGHER: Well, Your Honor, I have under Rule

1 408. I think this document would be covered under Rule 408.

2 THE COURT: I didn't hear you say it. I heard you
3 say relevance.

4 MR. GALLAGHER: I said relevance and 408. I think
5 it's irrelevant because it's an offer under 408.

6 THE COURT: All right.

7 MR. FULTON: Obviously, relevance I disagree with,
8 but 408, I have no -- I don't have an argument against the
9 408, other than at the time she was not represented by
10 counsel, nor did she believe that this was an offer of
11 settlement. To her this was an offer to be quiet and to
12 conceal any information she had about the fraud, or the
13 indications of fraud at Harrison. So...

14 THE COURT: In what way would those take that out of
15 408?

16 MR. FULTON: Other than a layman's perspective. She
17 didn't understand that this was under 408.

18 THE COURT: You don't have to be represented by
19 counsel, do you?

20 MR. FULTON: No, you don't, Your Honor.

21 THE COURT: All right. So the Court will sustain the
22 objection on that basis.

23 I wanted to also, with respect to Exhibit 19, you are
24 going to change the Bates numbers so that they're easy to
25 read. You can either put a 19-1, 19-2. That might be the

1 preferred way.

2 I also was concerned that some of the screen shots
3 contained what might be considered HIPAA information, and yet
4 it seems to me the documents need to go to the jury, they've
5 been admitted. But I'm suggesting that the last name of the
6 patients be redacted so just the first names appear.

7 What's the parties' reaction to that.

8 MR. GALLAGHER: Your Honor, I wouldn't have any
9 objection to that.

10 MR. FULTON: I wouldn't object to that.

11 THE COURT: All right, that's what we will do.

12 If there's nothing else, we take about a 15-minute recess.

13 MR. FULTON: Thank you, Your Honor.

14 (Recessed at 10:10 a.m.)

15 (Jury not present.)

16 THE CLERK: All rise.

17 THE COURT: Ms. Cook, if you would resume the stand.

18 I'm a little bit concerned about the pace of the case. I
19 believe this Court has made a commitment to a juror that this
20 was going to be completed by Friday. Of course that entails
21 deliberation. So how much more time do you have with this
22 witness?

23 MR. FULTON: I have, I would say, about 30 minutes.

24 THE COURT: Can you pick up the pace just a little
25 bit?

1 MR. FULTON: I can. This was the most -- trying to
2 get through these, and following with the Bate stamping, but
3 we will move through quickly.

4 THE COURT: Thank you. Bring in the jury.

5 THE CLERK: Please rise for the jury.

6 (Jury present; 10:30 a.m.)

7 THE COURT: Please be seated.

8 The objection is sustained. You may proceed.

9 BY MR. FULTON:

10 Q. Lori, I'm going to go back to Exhibit No. 19, the very
11 first page.

12 A. All right.

13 Q. It says -- could you read the first two lines?

14 A. "These are training documents that Lori provided, at my
15 request, that she felt evidenced she had been trained
16 incorrectly. However, on review of the materials, I find:"

17 Q. Okay. So, number one, did you provide these documents at
18 Diane Wasson's request?

19 A. No.

20 Q. You came to Diane Wasson with these documents; is that
21 correct?

22 A. No.

23 Q. What documents did you come to Diane Wasson with?

24 A. I came to her with a daily billing manual written by
25 Harrison.

1 Q. Are either one of these alleged documents the documents
2 that you provided Diane Wasson?

3 A. No.

4 Q. Okay. Lori, after you decided not to agree to the
5 document that Harrison provided you, what did you do?

6 A. I sought out counsel and -- to explain my situation.

7 Q. Okay.

8 A. And listened to suggestions.

9 Q. Okay. So did you have a meeting with Diane Wasson where
10 she ever explained to you the results of an audit?

11 A. No.

12 Q. Did she ever talk to you about the McKesson audit?

13 A. They just said a couple of sentences about McKesson audit
14 on the day they terminated me.

15 Q. Okay. Did she talk to you about the results of that
16 audit? Did she say anything about did they find fraud? Did
17 she say anything about that?

18 A. Well, they said they didn't find fraud, and I believe it
19 was just described as the person doing that job was not
20 adequate for it, for the job.

21 Q. Okay. I believe you -- if you flip over to Exhibit No.
22 17.

23 A. Okay, I'm on 17.

24 Q. On page 10, does this document refresh your memory on
25 whether or not you had conversations with Diane Wasson

1 regarding the McKesson audit?

2 A. Yes.

3 Q. Okay. And from what you recorded previously, what were
4 those discussions? What was that?

5 A. That no fraud or ill intent was done by the employee and
6 that Harrison Home Health software was only 70 percent that
7 would be available from the software vendor.

8 Q. So Diane Wasson informed you that there was no fraud
9 theft?

10 A. Correct.

11 Q. Did you believe her?

12 A. No.

13 Q. Why not?

14 A. Because she did not give me any documents, she didn't
15 share any report with me, and so I had nothing in writing to
16 show, to -- for me to try to formulate the proof on.

17 Q. Okay. Why were you so concerned about making sure fraud
18 hadn't been committed?

19 A. Because when I apply for jobs, most of the applications
20 will ask you if you have ever been disqualified from working
21 or providing care or billing to Medicare or any other
22 government insurance.

23 Q. So what was your plan to try to find out whether or not
24 fraud had been committed?

25 A. I had heard about the *qui tam*, and in that manner we could

1 get someone to research the Medicare records, and if the
2 Medicare records actually showed no fraud, then I could be
3 assured I could always tell a future employer that I was --
4 what would be the word? Not found guilty of fraud.

5 Q. So your purpose in filing a *qui tam* -- what was your
6 purpose in filing a *qui tam*?

7 A. To clear my name and my work history, that I had committed
8 no Medicare fraud.

9 Q. Upon leaving, did you have an opportunity to look at your
10 employment file?

11 A. I looked at it before I left, yes.

12 Q. Okay. And in that employment file, did you find all your
13 evaluations in that employment file?

14 A. No, I did not.

15 Q. What evaluation was left out of your employment file?

16 A. My 90-day prelim -- or probationary report.

17 Q. And that's the 90-day evaluation that we showed the jury
18 yesterday?

19 A. Yes. The 90-day evaluation.

20 Q. The evaluation that was done by Diane Wasson?

21 A. Yes.

22 Q. And that was left out of your employment file?

23 A. Right. It was not there.

24 Q. Lori, did you have a series of conversations with Diane
25 Wasson regarding a plan on working on the aging reports?

1 A. I did. As we talked about yesterday, we would have weekly
2 or biweekly meetings talking about current events, current
3 situations. Remember, back in November of 2011, she asked me
4 to change my focus from all the oldest accounts, and she said
5 we are going to focus on some newer accounts. So she would
6 assign a date range she wanted me to focus on.

7 Q. Did you continue to work on those accounts with Diane?
8 Did you continue to work on those accounts with Diane?

9 A. Not the old ones, only those she asked me to work on.

10 Q. Okay. What happened with the old ones?

11 A. They become untimely.

12 Q. Okay.

13 A. And then you lose your payment for them.

14 Q. Okay. After you were finally terminated, what steps did
15 you take to try to find new employment?

16 A. Well, from the time -- even the time when I was suspended,
17 I did job search. I looked for jobs that were at my level,
18 and that -- and in any type of company, my degree is just in
19 business administration. So I know administrative tasks for
20 all types of companies. I would have at least three jobs I
21 would apply for every week. Even unemployment requires that
22 you do that. I went to the employment office and they give
23 you things like let's make sure your resume is up to date.
24 Different information about what's new on the Internet, where
25 to find jobs. They say don't go out driving around for jobs

1 because most people want you just to apply on line, and I did
2 find that out when I went in person to some companies. They
3 wouldn't even accept my paper.

4 I updated my Microsoft Windows -- Microsoft Office skills
5 because when I went to college Microsoft Office did not exist.
6 And the hardest part of my job search has been the fact that
7 Harrison now has merged with Franciscan and Catholic Health
8 Initiatives, so from -- I believe it starts in the north on
9 Kitsap -- on the peninsula at Sequim. You've got Sequim,
10 Bremerton, Gig Harbor, Tacoma, Lakewood, Federal Way,
11 Enumclaw, and then Highline and Burien. Those main -- those
12 hospital systems are all linked together, and even in -- it's
13 really disheartening and embarrassing that for the good job I
14 did at St. Joseph Hospital, when I put my application in
15 there, even just on suspension, I don't even get a phone call.
16 There were several good, nice positions in the business office
17 that I could do, and even those didn't answer me.

18 So I just keep applying, keep applying, keep applying
19 every week. And then trying to stay current and stay focused
20 on some tasks to do every day. My husband has suggested, you
21 know, you could go to school, and I go, I think I should go to
22 school because I'm kind of -- as far as the knowledge and the
23 skill level for jobs, I'm either overqualified for beginning
24 jobs or under qualified for jobs just beyond mine because they
25 will ask you for a master's. So I'm in a master's program

1 with Western Governors University.

2 Q. Approximately how many resumes have you sent out or
3 applications?

4 A. Four hundred and forty.

5 Q. Do you keep a running total?

6 A. Yes. It might be 443.

7 Q. Okay. And out of all those, have you had any responses?

8 A. Between phone interviews and in person, I believe about
9 ten.

10 Q. And you're currently not employed?

11 A. Correct.

12 Q. Lori, I know yesterday it was hard to talk about the day
13 in which you were suspended, but I want to ask you some
14 questions just about your -- how you are doing mentally with
15 this. Have you had to consult with any doctors regarding any
16 of your emotional issues --

17 A. Yes.

18 Q. -- around this?

19 A. Yes.

20 Q. Could you tell the jury about that?

21 A. I have had -- I described how I feel and how I cannot
22 sleep, and my doctor has prescribed some antidepressant for
23 me. And that has helped somewhat, but sometimes I just feel
24 in despair and cry. And when I have trouble sleeping, I spoke
25 with her about that, and she was saying that, well, that's

1 just kind of anxiety. And sometimes I feel myself just
2 staring in the daytime even. It's just like I go, oh, come
3 on, stay on track, you know, wake up. But every morning I
4 wake up and I have to say what -- what are you going to do
5 today? What is your purpose? And motivate myself to keep
6 going. I mean, I had two part-time jobs when I was in high
7 school and basically I've worked every day since I was --
8 until I was suspended, and I'm used to getting up, having some
9 type of commute, going to work, working on the toughest things
10 first, getting those out of the way. And even though I don't
11 pick a group of friends at work, I don't gossip at work, I
12 don't do anything rude to anyone, I'm respectful to everyone,
13 it still gives you a sense of belonging somewhere. And so
14 that's where I am. So now I keep studying and hoping that
15 someone will say, she's not giving up. We're going to ask her
16 to come to work.

17 And I know it has affected my husband and my family in a
18 negative way, too. I know that for my -- just my medical
19 conditions, about five years I've had diabetes 2, and that was
20 always under real good control, but now my doctors have had to
21 double my medication. And I've had high blood pressure since
22 I was like 25, but that's always been under control with
23 medication.

24 But I feel like I've lost an opportunity to even like go
25 to the Y and stay in a good exercise routine. And I don't

1 want to visit anywhere. I don't call my kids. What am I
2 going to tell them? Oh, yeah, I go to the computer and I look
3 for new jobs. And what's really -- makes you feel bad is when
4 you know you applied for a job three weeks ago, and then you
5 see the job posted again so it's like the people have gone
6 through a whole hundred or so whatever applications they
7 received, but they didn't even call you. And when you call
8 back to try to say, well, why, or inquire, you are getting
9 no -- no answer. They are all so busy. And the human
10 resource offices are somewhat automated, so you just can't
11 even get a conversation going with someone to get your foot in
12 the door.

13 Q. You don't need to go into detail, but how has this
14 impacted you and your husband, your relationship?

15 A. We are not able to go visit with our children just because
16 they live far away. Our daughter from Tacoma comes over, and
17 she and our grand dogs come over, and that's nice. They say
18 we're -- the conversation about this incident has happened
19 every day. It might happen the moment we wake up, it might
20 happen right before we go to bed. If I feel really tired,
21 sometimes my husband doesn't, sometimes he gets up in the
22 middle of the night. It's just really hard, just on -- I
23 guess the physical connection. I just try to have
24 conversations, and there's really nothing new to talk about.

25 Q. Lori, the question -- before I ask that question. Have

1 you, in your opinion, exhausted your employment opportunities
2 within this region?

3 A. Yes, because of the number of employers I have applied to.
4 Sometimes I may see -- like today I might see a job or two at
5 one company, and then, you know, in a few weeks they might
6 have another job I qualify for, a fully different job, and I
7 will apply but I still do not get selected.

8 Q. Have you thought about leaving the state?

9 A. I have. We're not financially able to do that, and I
10 don't want to do it until I clear up everything I can about
11 this incident because I don't want to go further and further
12 and further away and to more and more companies just to
13 continue to get rejected.

14 Q. Lori, before you gave the manual to Diane, why didn't you
15 just make a copy of it to keep one for yourself to have as
16 proof?

17 A. It's not mine to do that with. It's the property of the
18 company.

19 Q. I have just a few more questions for you, Lori. Going
20 back to when you were asked to investigate both the monthly
21 credit report and the McKesson overpayment report issues, did
22 you believe that they had fraud potential?

23 A. Yes, I believed they would have fraud potential.

24 Q. And why?

25 A. We send the Medicare credit report directly to Medicare.

1 It's about a company disclosing to Medicare. And Diane made
2 the overpayment report matching to the MARR problem sound
3 serious, and it, too, would link to Medicare revenue somehow.
4 Q. Okay.

5 A. And when I discovered that affecting the revenue was
6 something we should have done once a month rather than every
7 day as the manual instructed me to do, I definitely knew
8 something could be wrong in the system and on our claims that
9 I did not have access to.

10 Q. Did you have the ability to determine once and for all
11 whether or not fraud had been committed?

12 A. No.

13 Q. Did you need to have an outside source or someone else to
14 confirm that fraud wasn't committed?

15 A. Yes. And that was -- I would say it's from Medicare, but
16 it was through Ms. Swem when she did her investigation.

17 MR. FULTON: Lori, those are all the questions I have
18 for you at this time.

19 THE WITNESS: Thank you.

20 CROSS-EXAMINATION

21 BY MR. GALLAGHER:

22 Q. Good morning, Ms. Cook.

23 A. Good morning.

24 Q. You have water in front of you, right?

25 A. Yes.

1 Q. And I guess Kleenex, in case you need them?

2 A. Yes.

3 Q. Why don't you take the exhibit books and just set them
4 aside. We're not going to look at exhibits for a little
5 while.

6 Ma'am, you understand that Harrison Medical Center is a
7 not-for-profit company; right?

8 A. Yes.

9 Q. Some companies are for profit, and some are not for
10 profit; right?

11 A. Right.

12 Q. For-profit companies are in it to make money for their
13 shareholders; aren't they?

14 A. Yes.

15 Q. But not-for-profit companies don't have shareholders, do
16 they?

17 A. Correct.

18 Q. So they aren't trying to maximize shareholder profit, are
19 they?

20 A. No.

21 Q. In fact, they are about providing good health care for the
22 citizens in a particular community; wouldn't you agree?

23 A. Yes.

24 Q. And you understand that health care companies are not
25 required to participate in the Medicare program; right?

1 A. Right.

2 Q. There are some doctors, for example, that don't take
3 Medicare; right?

4 A. Correct.

5 Q. And there may be some hospitals out there that don't take
6 Medicare; isn't that true?

7 A. I suppose it could be true, yeah.

8 Q. But you've worked for hospitals that have always taken
9 Medicare; correct?

10 A. Yes.

11 Q. Because that's one of your areas of expertise is Medicare
12 billing?

13 A. Yes.

14 Q. So a doctor or a hospital could say, no thanks, I don't
15 want to participate in the Medicare system, couldn't they?

16 A. Yes.

17 Q. But if that doctor or that hospital decides that they want
18 to participate in the Medicare system, the government attaches
19 some strings, don't they?

20 A. Yes.

21 Q. One of the strings is you have to follow the Medicare
22 billing procedures; right?

23 A. Yes.

24 Q. And you know as well as anybody about how complicated
25 those can be, don't you?

1 A. Yes.

2 Q. And another of the strings is that hospitals that take
3 Medicare have an obligation to provide medical services to
4 people who can't pay for those medical services; right?

5 A. Yes.

6 Q. They can't deny basic coverage just because somebody
7 cannot pay; isn't that true?

8 A. Right.

9 Q. In fact, they often provide services for free to the poor;
10 correct?

11 A. Can you repeat that? I didn't hear you.

12 Q. Sure. In fact, they often provide services for free to
13 the poor; correct?

14 A. Yes.

15 Q. And so one of the things that makes this system work is
16 that in return for providing care to people who can't pay,
17 Medicare has a billing process that allows those hospitals and
18 those health care agencies to obtain regular payment for the
19 services that they do provide pursuant to Medicare; right?

20 A. Yes.

21 Q. So you understand that it's important for a hospital to
22 promptly process its Medicare billing; don't you?

23 A. Yes.

24 Q. Now, we've talked at some length in this case about
25 Harrison Medical Center and Harrison Home Health, haven't we?

1 A. Yes.

2 Q. Harrison Home Health is basically a division of Harrison
3 Medical Center; is that right?

4 A. Yes.

5 Q. And you first applied at Harrison Medical Center in 2011,
6 didn't you?

7 A. Yes, through Harrison Home Health.

8 Q. Harrison Home Health. Okay. When you applied, you
9 attached a resume to that application?

10 A. Yes.

11 Q. And the resume listed all of your job skills?

12 A. Yes.

13 Q. And I believe you testified you went through a fairly
14 rigorous interview process when you first interviewed at
15 Harrison; correct?

16 A. Yes.

17 Q. There were, I think, three rounds of interviews; isn't
18 that right?

19 A. Yes.

20 Q. And the position that you applied for was a medical
21 billing manager position; right?

22 A. Yes.

23 Q. So this was a management position?

24 A. Yes.

25 Q. And you ultimately started at Harrison in April of 2011;

1 correct?

2 A. Yes.

3 Q. So at the time that you first interviewed at Harrison, you
4 told them that you had more than 37 years of experience in the
5 Medicare billing field; right?

6 A. Yes.

7 Q. And you understood that Harrison was looking for somebody
8 who had that kind of Medicare billing experience; didn't you?

9 A. Yes.

10 Q. They were looking for somebody who could hit the ground
11 running, weren't they?

12 A. Yes.

13 Q. They were not looking for somebody that they had to train
14 on the job?

15 A. Yes.

16 Q. And you felt that you were qualified for that job; right?

17 A. I did, and I was explicit that I had not ever been trained
18 by McKesson on McKesson software.

19 Q. But you had used McKesson software?

20 A. I had used it.

21 Q. And you felt comfortable using McKesson software; didn't
22 you?

23 A. I did.

24 Q. And you knew how to contact McKesson helpline; right?

25 A. Yes.

1 Q. And you knew that there were materials available online
2 that you could look at if you had questions about how the
3 software worked; correct?

4 A. Yes.

5 Q. You had also used other kinds of Medicare billing
6 software; correct?

7 A. Yes.

8 Q. What other kinds of Medicare billing software had you
9 used?

10 A. I cannot remember the names of them. Homecare HomeBase
11 for home health, but when I worked at physician or hospitals,
12 so forth, before -- how do I want to say it? When electronic
13 billing first started, I was at Good Samaritan Hospital, and I
14 was the first person asked to do that. We did it first with
15 Medicaid, and then we brought on Medicare. Those claims were
16 going directly to the insurance company. If -- I don't even
17 think there was another electronic interchange company in
18 there. It was just modem direct to the insurance.

19 Since then, when I worked at a hospital or -- I mean a
20 physician group or at a nursing home, they had a mechanism for
21 transmitting the claims, but I don't remember the names of all
22 those --

23 Q. Okay.

24 A. -- different softwares.

25 Q. And is it fair to say that there were -- different

1 companies had different pieces of software that they used to
2 basically do the same thing with regard to Medicare billing?

3 A. Yes.

4 Q. So the McKesson software might be different from another
5 company's software, but it basically accomplishes the same
6 task; right?

7 A. Yes.

8 Q. And since you had 37 years of experience with Medicare
9 billing, you understood what that task was that needed to be
10 accomplished, didn't you?

11 A. Yes.

12 Q. You knew how the Medicare billing system worked, didn't
13 you?

14 A. Yes.

15 Q. And even though you might not know how a particular piece
16 of software is operated, you knew what it was supposed to do,
17 didn't you?

18 A. Yes.

19 Q. So when you applied for the job at Harrison, you explained
20 to them that you started in the medical billing field at St.
21 Joseph Hospital, St. Joe's, in Tacoma; correct?

22 A. Yes.

23 Q. And that you were there for 17 years; isn't that right?

24 A. No.

25 Q. Oh, I'm sorry. Oh, that's Good Samaritan. I'm sorry.

1 You were at St. Joe's for three years; right?

2 A. Yes.

3 Q. Okay. And then you moved to Good Samaritan.

4 A. Yes.

5 Q. Okay. In Puyallup; right?

6 A. Yes.

7 Q. And you were a float biller; right?

8 A. Yes.

9 Q. And as a float biller, I take it you would -- you would
10 sort of fill in for people if they were out that day?

11 A. Correct.

12 Q. They might be on vacation or sick or something, you would
13 sit at their desk and do their job; correct?

14 A. Yes.

15 Q. And so you were sort of the jack-of-all-trades in that
16 group; right?

17 A. Yes.

18 Q. You had to know more than a little bit; you had to know a
19 lot about everybody's job, didn't you?

20 A. Yes.

21 Q. And then as you were interviewing at Harrison, you also
22 told them that you had been a business office manager at
23 Clearview Manor in Tacoma; right?

24 A. Yes.

25 Q. And there you handled insurance billing and patient

1 billing; right?

2 A. Yes.

3 Q. And you were there for two years; right?

4 A. Yes.

5 Q. And you told them about your next job, then, at Ridgemont
6 Terrance in Port Orchard; right?

7 A. Yes.

8 Q. There you were a business office manager as well; correct?

9 A. Right.

10 Q. But you only stayed at that job for ten or twelve weeks
11 because it turned out to be something other than what they had
12 promised you; right?

13 A. Yes.

14 Q. So then you moved to Swedish, the physician division at
15 Swedish; correct?

16 A. Yes.

17 Q. Is that in Seattle?

18 A. Yes.

19 Q. Okay. And you moved to Swedish in about 2000; right?

20 A. Yes.

21 Q. And stayed there about five years?

22 A. Yes.

23 Q. And there you were an application trainer; is that right?

24 A. Yes.

25 Q. And your responsibilities included training on the

1 software that Swedish used for Medicare billing; right?

2 A. No. I will explain. They have the central business
3 office where I was based out of and they had all the clinics.
4 People at the business office either did payment posting,
5 insurance follow-up. Some did refunds, some did like high
6 level denials, and some were customer service. There was just
7 one person who actually took the information that the clinics
8 had input as their services and compiled the batches to be
9 sent to Medicare.

10 Q. Okay. What was it that you did?

11 A. I trained many people in the payment posting, and then
12 insurance follow-up and registration and taking copays, and so
13 forth, with the staff at the clinics.

14 Q. And your title when you were at Swedish Home Care was
15 billing supervisor; correct?

16 A. Yes.

17 Q. That was a management position?

18 A. I would say mid management.

19 Q. You were --

20 A. Because they had some people that were managers and some
21 people that were directors, so supervisor level.

22 Q. Okay. Is supervisor the same as a manager level?

23 A. I don't know the definition each company put on it.

24 Q. Okay. At that company, was it the same as a manager
25 level?

1 A. No.

2 Q. Okay. And you left Swedish after about five years; right?

3 A. Yes.

4 Q. And that's when you moved to Illinois for family reasons;
5 right?

6 A. Yes.

7 Q. And when you were in Illinois, you worked at Ingalls Home
8 Health Care in Harvey, Illinois; right?

9 A. Yes.

10 Q. There you managed a staff of five; right?

11 A. Yes.

12 Q. And your responsibilities there included Medicare billing,
13 didn't it?

14 A. I did oversee it, yes.

15 Q. So your responsibilities included overseeing the Medicare
16 billing?

17 A. Right. And reviewing the Medicare credit report and
18 whatever table maintenance changes we had, insurance changes,
19 and the month-end reporting.

20 Q. So your responsibilities included making sure that the
21 people that worked for you were doing the Medicare billing;
22 right?

23 A. Correct.

24 Q. And that's something that you told the people at Harrison
25 about when you were interviewing there; right?

1 A. Yes.

2 Q. And you thought that actually made you look more qualified
3 for that position; right?

4 A. Yes.

5 Q. Did you think you were qualified for the position at
6 Harrison?

7 A. Yes.

8 Q. Did you think that it was a step up in terms of
9 responsibilities for you to become a manager?

10 A. No, because the duties were lateral.

11 Q. You had been doing that stuff before?

12 A. Right.

13 Q. So you thought you could move over to Harrison and hit the
14 ground running; correct?

15 A. Right. They had a different name for the position.

16 Q. Okay. But it was -- they were job functions that you had
17 previously done; right?

18 A. Correct.

19 Q. So when you joined Harrison, you knew that they used the
20 McKesson software to do their Medicare billing; correct?

21 A. Yes.

22 Q. And that's known as McKesson Horizon Home Care software;
23 right?

24 A. Yes.

25 Q. And you had used McKesson Horizon Home Care software

1 before; correct?

2 A. Yes.

3 Q. And where was that?

4 A. At Swedish Home Care.

5 Q. And you worked at Swedish with Mr. Miotke; correct?

6 A. Yes.

7 Q. And was he at -- he had come to but left Harrison by the
8 time you joined Harrison; isn't that right?

9 A. Yes.

10 Q. Okay. So when you interviewed at Harrison, had you had
11 any training by McKesson Corporation on their software?

12 A. No.

13 Q. So all the training you received was training by your
14 employer; correct?

15 A. Yes.

16 Q. Had you ever called McKesson helpline before?

17 A. Yes.

18 Q. Okay. So you had talked to McKesson helpline people;
19 correct?

20 A. Yes.

21 Q. Had you ever accessed the online information that was
22 available on the McKesson website before?

23 A. Yes.

24 Q. So you knew where to go if you had a question about the
25 McKesson software; correct?

1 A. Yes.

2 Q. And you understood Medicare's rules about Medicare
3 billing; right?

4 A. Yes.

5 Q. So you felt that your experience with McKesson software
6 made you qualified for this job you applied for at Harrison;
7 isn't that true?

8 A. Along with my other experience and education.

9 Q. Right. It was a total package; it wasn't just the
10 software experience, but it was 37 years of experience in
11 Medicare billing; right?

12 A. Yes.

13 Q. At the time you interviewed at Harrison, you understood
14 that they had had this position opened for quite a while;
15 right?

16 A. They just mentioned they needed someone. I figured maybe
17 someone left three months ago or so.

18 Q. So you had no idea how long that position had been open at
19 the time that you got it?

20 A. Correct.

21 Q. At any time did you ever learn how long that position had
22 been open?

23 A. After I started doing my accounts receivable work.

24 Q. And what did you learn?

25 A. Actually I thought someone hadn't been there for about 14

1 months.

2 Q. And that's because when you started, you had a pile,
3 basically, of accounts receivable work that had been piling up
4 because nobody had been doing it; right?

5 A. Correct.

6 Q. And that was job one for you, wasn't it?

7 A. Yes.

8 Q. To start diving into those accounts receivable; isn't that
9 true?

10 A. Yes.

11 Q. And part of the reason is because at some point, if you
12 don't process the accounts receivable quickly enough, you lose
13 the ability to send it to Medicare; right?

14 A. Correct.

15 Q. And when we talk about an account receivable, we are
16 talking about money that the hospital can obtain from Medicare
17 if you just send in the right paperwork and ask to be paid;
18 correct?

19 A. Correct.

20 Q. So the first few months that you were doing your job at
21 Harrison, that was really the focus of your job, right,
22 digging through that accounts receivable pile?

23 A. Correct.

24 Q. Now, when you started at Harrison, you were hired as the
25 medical billing manager; correct?

1 A. Yes.

2 Q. That's a member of the management team at Harrison; isn't
3 it?

4 A. Yes.

5 Q. And you supervised two people, Sam Hubbard and Jeff
6 Inwood; correct?

7 A. And Jeff Underwood.

8 Q. Underwood, okay. I apologize. And at the time that you
9 started at Harrison, you were given policy and procedural
10 manuals that were created by both Harrison itself and by
11 McKesson; right?

12 A. I just was given the Harrison procedures, and whatever was
13 McKesson would be online.

14 Q. Okay. So you didn't have a hard copy of the McKesson
15 procedures, that was available online?

16 A. Right.

17 Q. So the Harrison procedures, it's been called a manual, I
18 think, by your counsel and in your testimony; right? Did you
19 think of it as a manual?

20 A. Repeat that question, please.

21 Q. Sure. The materials that you had that were prepared by
22 Harrison -- I just want to make sure we are using the right
23 term -- you've referred to that as a manual, haven't you?

24 A. Right. I received two notebook manuals that were written
25 by Harrison people about the daily processes and then the

1 month-end processes.

2 Q. Okay. And you sort of anticipated my next question. Were
3 these a pile of papers that had been stapled together, or what
4 did that manual look like?

5 A. A light notebook, in a green binder.

6 Q. How thick was the notebook?

7 A. Oh, I would say each were about 30 pages.

8 Q. Okay. Can I have you look at the exhibit that's been --
9 the demonstrative exhibit that's been put up there, the
10 exhibit that is sitting on the easel.

11 A. Yes.

12 Q. That's a graphic that your lawyer created for this trial;
13 correct?

14 A. No.

15 Q. Okay. Did you make that?

16 A. I made that.

17 Q. Did you really?

18 A. I did.

19 Q. Okay.

20 A. He blew it -- he had it changed to that format.

21 Q. Okay. So the two books that we see sitting on the -- or
22 at the top of that chart --

23 A. Yes.

24 Q. Those look like they are bound books; right?

25 A. Yes. I couldn't find a notebook picture.

1 Q. Okay. That's fine. So if you had been able to find a
2 picture of a notebook with 30 sheets of paper in it, that
3 would have been a more accurate representation of the teaching
4 manual?

5 A. Right. And I will apologize, if need be. They are
6 different sizes, they are different widths, and my two books
7 were exactly the same size each.

8 Q. Okay, good. I just wanted to -- I didn't want to create a
9 misimpression that perhaps these were bound volumes like you
10 would buy in a book store or something.

11 A. Correct.

12 Q. And I believe your testimony was that Sam Hubbard showed
13 you how to use the Harrison manual, the billing manual;
14 correct?

15 A. The daily manual, yes.

16 Q. And that billing manual had some screen prints from the
17 McKesson software program; right?

18 A. Yes.

19 Q. And by screen prints, we're talking about someone had
20 basically copied an image from a computer screen and then
21 printed it out on three-hole paper and put it in the notebook;
22 right?

23 A. Yes.

24 Q. So it was basically a picture of what your computer screen
25 looked like; correct?

1 A. Yes.

2 Q. And Pat Dodge at the time was your manager, wasn't she?

3 A. Yes.

4 Q. And she showed you how to use the McKesson program?

5 A. Well, she gave me my passwords and just made sure
6 everything logged on correctly for me when I first started
7 using it. And she asked me a few questions of what I remember
8 and so forth, and then she, you know, just said, well, look
9 around, see what you can do with it, what you can find, and
10 then she gave me an aging that they had, and then I don't
11 remember how old it was. And the first thing I probably would
12 do is prepare myself a new aging so it would be current.

13 Q. What's an aging?

14 A. Accounts receivable listing of the outstanding accounts.

15 Q. So that would be a piece of paper that showed you how much
16 was outstanding and needed to be collected from Medicare?

17 A. You could order it just for Medicare, you could order it
18 for any insurance, you could order it by total, by patient
19 name. There are many choices.

20 Q. Okay. And you have the opportunity -- if you had
21 questions about how the McKesson software worked, you had the
22 opportunity or the capability of calling McKesson and asking
23 them questions; correct?

24 A. Yes.

25 Q. But you didn't call McKesson and ask them a single

1 question about their software until November 6th of 2012, did
2 you?

3 A. No, that's not correct. I asked them many questions.

4 Q. Ma'am, do you recall having your deposition taken in this
5 case?

6 A. Yes.

7 Q. And Ms. Harry asked you questions under oath in your
8 deposition; correct?

9 A. Yes. Possibly your question is not definitive enough.

10 Q. Well, I guess we will see. Could we have --

11 MR. GALLAGHER: Your Honor, may I approach?

12 THE COURT: Yes.

13 MR. GALLAGHER: How do you prefer we handle --

14 THE COURT: Ask it be published after the foundation
15 has been laid as to the date and place of where this took
16 place.

17 MR. GALLAGHER: Okay. May I approach and hand it to
18 her?

19 THE COURT: Yes.

20 BY MR. GALLAGHER:

21 Q. So, Ms. Cook, your deposition was taken in Bellevue,
22 Washington, on November 6th, 2014; correct?

23 A. Yes.

24 Q. So two years to the date from the November 6, 2012,
25 meeting; right?

1 A. Yes.

2 Q. And you swore to tell the truth in that deposition;

3 correct?

4 A. Yes.

5 Q. There was a court reporter there to transcribe --

6 A. Yes.

7 Q. -- your answer -- I'm sorry, ma'am, you have to wait until

8 I finish asking my question before you answer.

9 So there was a court reporter there that transcribed

10 your -- Ms. Harry's questions and your answers; correct?

11 A. Yes.

12 Q. And then you had an opportunity later to review the

13 deposition and make any corrections if there were typos or if

14 it was transcribed incorrectly; right?

15 A. Yes.

16 Q. Okay. Let me ask you to turn to page 20 of the

17 deposition.

18 A. Yes.

19 Q. At line 11, you were asked the question:

20 "You testified that if you had a question you would have

21 asked someone. But did you ever actually do that?"

22 Do you see where I'm referring to?

23 A. I see that.

24 Q. Would you read to the jury the answer that you gave that

25 begins on line 13?

1 A. It says: "I did not ask any question about that until
2 November 6th, 2012." So we have to go back and see what
3 "that" is.

4 Q. Okay. So is it your testimony that you never asked any
5 questions about the GenEnd report until November of 2012?

6 A. Correct.

7 Q. How often did you call McKesson with questions?

8 A. At least twice a week.

9 Q. But nothing with the GenEnd report appeared incorrect to
10 you until November 6th of 2012; correct?

11 A. Correct.

12 Q. Let's talk first -- you can set the deposition aside for a
13 second.

14 I want to talk about Medicare. Medicare is administered
15 by the Department of Health and Human Services; isn't it?

16 A. Yes.

17 Q. And there's a division of the Department of Health and
18 Human Services called CMS; correct?

19 A. Yes.

20 Q. What is CMS?

21 A. Centers for Medicare and Medicaid.

22 Q. What is it that CMS does?

23 A. They oversee all the guidelines for the program. They
24 have on their website information about the different types of
25 providers. There might be -- I think there's a column for

1 providers to look up things. There's a section that might be
2 of interest to just Medicare beneficiaries or Medicaid
3 beneficiaries. There's a whole wealth of different topics.
4 Q. I want to focus in on the process that relates to the
5 GenEnd report, and I want to try to explain to the jury how --
6 both you and I explain to the jury what that reconciliation
7 process is so they understand what we're talking about.

8 So is it fair to say that the way Medicare works is that
9 care providers, such as Harrison Home Health, are paid a
10 predetermined amount of money for a particular service?

11 A. Yes.

12 Q. And in this case we've talked a lot about this 60-day
13 episode of care period. That's a unit of payment Medicare
14 uses, isn't it?

15 A. I would say it's a unit of service.

16 Q. Okay.

17 A. Time period of service.

18 Q. Okay. It's a unit of service, but ultimately that health
19 care provider gets paid for providing those services; correct?

20 A. Correct.

21 Q. But Medicare doesn't require the provider to wait till the
22 end of that 60-day period to get paid, does it?

23 A. No, if certain conditions exist.

24 Q. So if certain conditions exist, Medicare allows that
25 provider to receive an interim payment before the expiration

1 of that 60 days; right?

2 A. Yes.

3 Q. So in our situation that we've talked about in this case,
4 Harrison Home Health wouldn't have to wait 60 days to get paid
5 for treating the patient; they can get a portion of what they
6 are going to earn in the middle of that 60-day period; right?

7 A. Correct.

8 Q. And I think you testified it was between 50 and 60 percent
9 of ultimately the total they would be paid; correct?

10 A. Yes.

11 Q. And the reason for that is to help companies like Harrison
12 with cash flow; right?

13 A. Yes.

14 Q. So that they don't have to go 60 days before they get paid
15 for treating a patient; they can get something in the door
16 sometime during that 60-day period to help with their
17 expenses; right?

18 A. Correct.

19 Q. But the way the system is set up, ultimately Harrison
20 would compare notes with Medicaid -- Medicare, and sometimes
21 more money would be paid at the end of that 60-day period, and
22 sometimes less money would be paid in order to make sure that
23 at the end of that 60-day period Harrison got exactly what it
24 was entitled to; right?

25 A. Can you repeat that question?

1 Q. That was a horrible question.

2 A. Well, you are speaking so fast, too.

3 Q. Okay. Let me slow it down.

4 At the end of that 60-day period, Harrison and Medicare
5 would essentially compare notes and make sure that Harrison
6 got paid exactly what it was owed but not more than it was
7 owed or not less than it was owed; correct?

8 A. Correct.

9 Q. And that's the reconciliation process; right?

10 A. Right.

11 Q. And when you run the GenEnd report either on a daily basis
12 or a monthly basis, that affects the amount of money that
13 Medicare may pay during that 60-day period; right? Not at the
14 end of the 60-day period.

15 A. GenEnd was never described to me in that manner.

16 Q. Okay. But you're an expert in Medicare billing, aren't
17 you?

18 A. Yes, but the GenEnd process is a McKesson process.

19 Q. Right. But the Medicare billing process is the same
20 whether you are using McKesson software or other company
21 software; isn't it?

22 A. No. The other softwares that I have used for home health
23 billing, that was not a GenEnd process.

24 Q. Right. But the Medicare rules that they use to pay
25 service providers are the same whether the service provider

1 uses McKesson software or uses some other piece of software,
2 aren't they?

3 A. Right. But GenEnd is not something Medicare talks about
4 when they are talking about processing claims.

5 Q. Right, ma'am, but you are a manager in the Medicare
6 billing department; correct?

7 A. Yes.

8 Q. You're in charge of overseeing the Medicare billing at
9 Harrison Home Health regardless of what software package it
10 uses; correct?

11 A. Yes.

12 Q. So wasn't it your responsibility to know if the software
13 that your company was using actually accomplished what you
14 knew was supposed to be submitted to Medicare?

15 A. Yes. And all the information I saw, all the HHRGs or the
16 HIPPs had their correct amounts associated with them.

17 Q. But you ultimately learned from the individuals at
18 McKesson that you had been running the software incorrectly,
19 didn't you?

20 A. The day before I was suspended.

21 Q. Yeah. And then if you were the manager of the Medicare
22 billing department at Harrison, how come you didn't discover
23 that the day after you started at Harrison?

24 A. Because it was not evident.

25 THE COURT: We're going to take our noon recess again

1 early. I ask you then to return at 1:00. Please do not
2 discuss the case among yourselves or anyone else.

3 THE CLERK: All rise.

4 (Jury excused; 11:28 a.m.)

5 THE COURT: You may step down.

6 (Recessed.)

7 AFTERNOON SESSION

8 (Jury not present.)

9 THE COURT: Ms. Cook, if you would like to resume the
10 witness chair, please.

11 THE CLERK: Please rise for the jury.

12 (Jury present; 1:00 p.m.)

13 THE COURT: Everyone please be seated.

14 You may proceed.

15 MR. GALLAGHER: Thank you, Your Honor.

16 BY MR. GALLAGHER:

17 Q. Ms. Cook, before our lunch break we were talking about the
18 Medicare system and 60-day episode of care concept. I want to
19 pick up at that point.

20 You had testified that Medicare allows providers to
21 request and receive an interim payment before the expiration
22 of this 60-day period; correct?

23 A. Yes.

24 Q. And that helps the providers with their cash flow; right?

25 A. Yes.

1 Q. So once an initial consultation is done by the doctors and
2 nurses, they gather information, and then Medicare permits the
3 provider to submit a form telling Medicare what the provider
4 anticipates the patient's care will entail; correct?

5 A. Yes.

6 Q. What's that form called, or that submission called?

7 A. You're talking about the billing submission?

8 Q. Yes.

9 A. Okay. That's a request for anticipated payment, or RAP.

10 Q. That's the RAP; the RAP is request for --

11 A. Yes.

12 Q. So the nurses then make an estimate of what needs to be
13 done in the next 60 days, and someone takes that estimate and
14 compares it to the Medicare's fee schedule to determine how
15 much money should be paid by Medicare; correct?

16 A. I believe that's how that processing would work.

17 Q. And then the RAP, the request for anticipated payment, is
18 submitted; right?

19 A. Yes.

20 Q. And this could be sent within a week or two of the time
21 that the patient comes into the facility; right?

22 A. Yes.

23 Q. And after a facility like Harrison submits this request
24 for anticipated payment, it receives what's called a
25 provisional interim payment from Medicare; correct?

1 A. I've not heard the word "provisional" before, but it is an
2 interim payment.

3 Q. Okay. So it's called an interim payment, is that what you
4 would refer to it as?

5 A. Right.

6 Q. And you said that's usually 50 to 60 percent of what the
7 total payment would be; right?

8 A. Yes.

9 Q. So during that 60-day episode, some patients might
10 actually require more care than is anticipated; isn't that
11 true?

12 A. Yes.

13 Q. And other patients might require less pay; correct?

14 A. Yes.

15 Q. So at any one time it's not unusual for a particular
16 patient's account to show a credit balance or a deficiency
17 based on all these factors; correct?

18 A. Yes.

19 Q. But at the end of that 60-day period, the provider, in
20 this case Harrison, and Medicare compare the estimated charges
21 with the actual charges and, I believe, as you said in your
22 direct examination, true up the account; correct?

23 A. Yes, after the final claim.

24 Q. And by truing up the account, you're referring to a
25 process where essentially Medicare and provider either pay

1 additional -- Medicare will either pay additional fees or
2 perhaps the provider may return some fees in order to make
3 sure that the provider only gets what it's entitled to;
4 correct?

5 A. No.

6 Q. Okay. How did I get that wrong?

7 A. Medicare will take back or recoup the RAP payment and make
8 just the payment that they have calculated per the HHRG and
9 make that new payment to the provider.

10 Q. So they actually take back -- they made a RAP payment.
11 They actually take it back, and then they just pay the
12 provider exactly what they are entitled to; correct?

13 A. Right. So on your remittance, when you are paid for a
14 final claim, you have both a take back and a new payment on
15 the same remittance.

16 Q. And your concern about the way that the GenEnd program
17 worked, the difference between running it on a daily basis
18 versus a monthly basis, is that that RAP payment might have
19 been higher than it otherwise should have been; is that
20 correct?

21 A. No.

22 Q. Okay. But your concern was that the RAP payment was not
23 correctly calculated; isn't that true?

24 A. No.

25 Q. Okay. What was your concern?

1 A. My concern was that within the -- within the McKesson
2 system that something was being reported like the total
3 revenue of that account or multiple accounts were being
4 reported to Medicare. We were talking about -- yesterday
5 about electronic claim formats. Whether you were on the 4010
6 version until the time you needed to change to 5010 or you
7 were just on 5010, there are detailed -- more details allowed
8 on those electronic claims than what I would see on my paper
9 claim when I go to audit it. And I -- not having seen it
10 before, I cannot give you an explanation, but that extra
11 revenue that was being reported by us, recorded somehow to
12 Medicare. I don't know. Maybe it would go into finance, into
13 the cost report or something.

14 Q. So you don't have an understanding as to how it was
15 actually reported to Medicare; correct?

16 A. What? What was reported?

17 Q. Well, you said the extra revenue. You don't have an
18 understanding as to how that extra revenue was actually
19 reported?

20 A. Right. I don't have an example.

21 Q. Now, as the billing manager, you were responsible for
22 overseeing Harrison's accounts receivable with regard to
23 Medicare; isn't that true?

24 A. Yes.

25 Q. And by accounts receivable, we are talking about the money

1 that Medicare owed Harrison, that Harrison appropriately
2 billed for; correct?

3 A. Yes.

4 Q. Now, I want to focus on events leading up to this
5 November 6, 2012, meeting. It's your testimony that the
6 first time that you really focused on the GenEnd issue,
7 whether GenEnd should be run on a daily basis or monthly
8 basis, was at this November 6, 2012, meeting; correct?

9 A. It was in that -- on that day, at the end of the day,
10 after I learned new information from McKesson and gave my
11 billing manual to Diane Wasson.

12 Q. Okay. And prior to that meeting on November 6 of 2012,
13 you testified that there was a new -- well, you testified that
14 Ms. Geiger, who worked in the accounting department, left
15 Harrison; correct?

16 A. Yes.

17 Q. And she was replaced by a person named Jakob Stickly;
18 isn't that true?

19 A. Yes.

20 Q. And that Mr. Stickly sometime in October of 2012 had
21 called you, or maybe emailed you, and asked if you could run
22 some reports for him; correct?

23 A. Yes. He came to see me.

24 Q. And in retrospect now, you realize that those reports
25 related to the amount of revenue that was generated when you

1 ran the GenEnd program; correct?

2 A. No.

3 Q. Okay. Well, but you did come to realize that Mr. Stickly
4 had developed some concerns about why certain totals that he
5 was looking at didn't match; correct?

6 A. What totals are those?

7 Q. Well, you would have to tell me, and I don't know that we
8 need to get into that level of detail. But Mr. Stickly raised
9 some issues, correct, concerning the Medicare billing; isn't
10 that true?

11 A. I don't know.

12 Q. Okay. Well, did you ever have any discussions with Mr.
13 Stickly about any concerns he ever had?

14 A. No.

15 Q. Okay. When you went to meet with Ms. Wasson on
16 November 6, 2012, did she explain to you that Mr. Stickly
17 had raised some issues that she was looking into?

18 A. She asked me one question.

19 Q. And what was that question?

20 A. Why did the total on the McKesson overpayment report not
21 match the credit column on the monthly -- month-end accounts
22 receivable reconciliation report.

23 Q. And did you have any idea what caused her to come up with
24 that one question?

25 A. She said finance asked.

1 Q. Okay. Is Mr. Stickly in finance?

2 A. Yes.

3 Q. Okay. So you understand that Mr. Stickly asked a question
4 of Ms. Wasson that she passed on to you; correct?

5 A. Yes.

6 Q. Okay. So Ms. Wasson and Ms. Holland met with you in that
7 meeting on November 6th, 2012; correct?

8 A. No.

9 Q. Okay. Did you have more than one meeting with Ms. Wasson
10 on November 6th?

11 A. Yes.

12 Q. Okay. Who was in the first meeting that you had with Ms.
13 Wasson on November 6, 2012?

14 A. Diane and I.

15 Q. Okay. Diane Wasson. Did you have another meeting later
16 in the day with Ms. Wasson?

17 A. Yes. I met. We worked on this -- not this specific
18 thing, but two or three times in the afternoon.

19 Q. Okay. What time was the first meeting that you had with
20 Ms. Wasson on November 6, 2012?

21 A. Two o'clock in the afternoon.

22 Q. What time did you get off work during that period of time?

23 A. Five o'clock.

24 Q. So is it fair to say that all of the meetings you had with
25 Ms. Wasson that afternoon occurred between two o'clock and

1 five o'clock?

2 A. Yes.

3 Q. Did you have an understanding that Mr. Stickly was working
4 to investigate approximately \$80,000 in overpayments which
5 appeared to him on the overpayment report that you had
6 calculated?

7 A. Yes, that was the total of the overpayment report.

8 Q. And this was an overpayment of -- well, this was an
9 overpayment of the interim moneys that Medicare would pay to
10 Harrison; correct?

11 A. I don't know.

12 Q. Okay. Do you have an understanding as to whether -- well,
13 strike that. This wasn't an overpayment for the final amount
14 that Medicare would pay to McKesson after the end of the
15 60-day period, was it?

16 A. I don't know.

17 Q. So you have no idea what the overpayment related to; is
18 that correct?

19 A. I asked McKesson, and I learned from them near the end of
20 the day on -- no, it wasn't near the end of the day. It was
21 probably my first call after Diane asked me the question, and
22 McKesson told me that their overpayment report does not
23 reflect overpayments or credits at all. That it is an
24 accumulation or ongoing accounting of adjustment transactions
25 that happen in the system.

1 Q. Okay. So that means it's not an overpayment of the final
2 amount, it's an overpayment of the interim amount; correct?

3 A. I don't know. No one else has ever said that to me.

4 Q. Okay. Did you -- so in order to find out whether that's
5 true, you would have to call McKesson back; is that right?

6 A. Yes.

7 Q. So in the first meeting that you had with Ms. Wasson, she
8 told you that there was a problem; right?

9 A. Yes.

10 Q. And did she ask you to try to determine what was wrong
11 with the report?

12 A. Yes.

13 Q. And that's when you commenced your investigation; correct?

14 A. Yes.

15 Q. So your investigation consisted of going back to your
16 office and calling the help desk at McKesson; right?

17 A. The first thing I did was I reran the report to make sure
18 there were not any typographical errors or errors in the dates
19 of the report, and I came up with the same result as the first
20 result.

21 Q. So then you picked up the phone and you called the
22 McKesson help desk; right?

23 A. No.

24 Q. What did you do next?

25 A. I told Diane Wasson where I was on the project, and she

1 asked me to keep researching.

2 Q. So just so I'm clear. The first thing you did as part of
3 your investigation was went back to your desk and reran the
4 report?

5 A. Correct.

6 Q. And then you took the report back to Ms. Wasson and said,
7 I reran the report and it looks the same?

8 A. Yes.

9 Q. Did she tell you to call McKesson then?

10 A. No.

11 Q. Okay. So did you make the determination that the next
12 thing you should do in your investigation was call the
13 McKesson help desk?

14 A. Right. I had also asked Diane, can you tell me or did
15 finance tell you where this information is coming from, what
16 they describe it as, what they're trying to correlate
17 together? And she could not give me any more information, so
18 then I determined to call McKesson.

19 Q. What was Ms. Wasson's job title at that time?

20 A. She was the director of home health.

21 Q. What were her job responsibilities, as best you know?

22 A. Oversee the entire department, the clinicians and the
23 business office.

24 Q. So the billing function for home health was just a part of
25 her job responsibilities; correct?

1 A. Yes.

2 Q. Did you consider her to be an expert in Medicare billing?

3 A. No.

4 Q. Would you have expected her to know more than you about
5 Medicare billing?

6 A. At least the same amount, and she also said she had
7 experience with McKesson.

8 Q. But you considered yourself to be an expert in Medicare
9 billing, didn't you?

10 A. Yes.

11 Q. So after you went back the second time to Ms. Wasson, did
12 you then decide to call the McKesson help desk yourself?

13 A. Yes.

14 Q. So then you went back to your desk and you called the
15 McKesson help desk; correct?

16 A. Yes.

17 Q. And you explained the problem --

18 A. Yes.

19 Q. -- right? And they gave you an answer; correct?

20 A. Yes.

21 Q. And among other things, they told you that there was no
22 overpayment or overbilling to Medicare; correct?

23 A. They just said that the overpayment report does not
24 reflect credits in your system described as balances you need
25 to refund. They're not true overpayments to you from another

1 party.

2 Q. So you understood that the reports that you were
3 generating using this GenEnd program were not the final
4 reports that Medicare would use to determine how much was
5 ultimately to be paid to Harrison for any particular patient;
6 right?

7 A. The GenEnd is just an internal process.

8 Q. Okay. Let's set aside GenEnd. You understood when you
9 had that first phone call as part of your investigation, the
10 first phone call with the help desk at McKesson --

11 A. Yes.

12 Q. -- that -- you understood from McKesson that the report
13 that you were talking about was not the final report that
14 Medicare would use to determine how much would ultimately be
15 paid to Harrison; correct?

16 A. The overpayment report in McKesson is not sent to
17 Medicare. It's -- the two don't tie together.

18 Q. But you understood after that call that Harrison was not
19 overbilling Medicare, didn't you? That's what they told you.

20 A. No, they didn't tell me that.

21 Q. So regardless of what they told you, you then went back to
22 Ms. Wasson a second time; right?

23 A. Yes.

24 Q. Or I guess it would be a third time that day.

25 A. Uh-huh.

1 Q. What did you tell her?

2 A. I showed her in the billing manual, because by that time I
3 had talked with Tiffany at McKesson support and learned that,
4 oh, your GenEnd -- let's just start at the very beginning of
5 the whole process. How do you do GenEnd.

6 Q. Well, I actually -- okay. I want to make sure you answer
7 my question. What is it that you discussed with Ms. Wasson
8 when you went back to her office the third time that day?

9 A. What I have found after talking to McKesson.

10 Q. And then she asked you another follow-up question; right?

11 A. No. She said, "We'll work on it tomorrow."

12 Q. Okay. And then you went back and called McKesson another
13 time that afternoon; right?

14 A. No.

15 Q. Okay. So you only had one call with McKesson that
16 afternoon?

17 A. No, I had two or three.

18 Q. Okay. So we talked about first call you had with
19 McKesson.

20 A. Yes.

21 Q. What did you ask them the second time you called them?

22 A. I just asked them if there was any more they could tell
23 me. I verified again that the overpayment report of McKesson
24 and the MARR report, the month-end reconciliation of McKesson,
25 should not match.

1 Q. And did you then go back to Ms. Wasson and report that?

2 A. Yes.

3 Q. Did she ask you to do anything else as part of your
4 investigation?

5 A. No. Just check on McKesson again and --

6 Q. She wanted you to call McKesson a fourth time?

7 A. No. Just a third.

8 Q. Okay. And after you called them the third time, did she
9 ask you to do anything else as part of your investigation?

10 A. No. She said we would continue on it tomorrow.

11 Q. Okay. So did you think that your investigation then was
12 complete?

13 A. Oh, no. I thought we -- there was a big can of worms
14 opening up and we were going to have a lot of work to do. And
15 hopefully then I would get more McKesson training for -- to
16 try to decipher what these people are asking me. I don't want
17 to not be able to give the answer.

18 Q. And how would you get more McKesson training, would it
19 come from calling the McKesson help desk?

20 A. No. I hoped Diane would sign me up for classes, even if
21 they were online classes.

22 Q. So you hoped that, among other things, maybe you could get
23 some more training on McKesson software so you could continue
24 this investigation that you were charged with; right?

25 A. Correct. And put our system correct so everybody felt

1 good, it was correct and in compliance, and we could move on.

2 The other thing that's happening at the same time is
3 working on problems in the middle of 2012, McKesson -- I
4 learned from McKesson that our 11.2.9 Horizon Home Care
5 software version was not going to be supported after 2013. I
6 immediately gave that information to Diane, and what we kept
7 hearing was to go to 12, and we had good reason to go to 12,
8 we had even checked with other agencies to see if it was much
9 improved. We had learned of a lot of advantages for
10 clinicians and finance.

11 Q. How much --

12 A. But we were --

13 Q. Oh, sorry.

14 A. We were told that to go to that version, the software
15 would be free, but we would have to have a new server.

16 Q. How much would the server cost, did you know?

17 A. No. I -- my guess is \$60,000.

18 Q. When you say \$60,000, is that based on some sort of
19 expertise you have in procuring electronic -- or computer
20 service?

21 A. No.

22 Q. Did you just sort of add --

23 A. I just kind of randomly looked them up to see about how
24 much they cost. But I don't have all the IT experience and IT
25 specification.

1 Q. You would have to talk to somebody in IT to find out how
2 much it would cost?

3 A. Right.

4 Q. So you didn't do anything else as part of your
5 investigation on November 6th beyond what we've talked about;
6 right?

7 A. Correct.

8 Q. Now, on November 7th, you had another meeting with Ms.
9 Wasson and Ms. Holland at this point; correct?

10 A. Yes.

11 Q. What time did that meeting occur?

12 A. 10:30.

13 Q. And was it in Ms. Wasson's office?

14 A. No.

15 Q. Where was it?

16 A. Human resource meeting room.

17 Q. And at that meeting, Ms. Wasson explained to you that they
18 uncovered some problems, which she communicated to you were
19 serious problems; correct?

20 A. Yes.

21 Q. And she told you that you were being placed on suspension;
22 correct?

23 A. Karen said that, yes.

24 Q. At some point during that meeting, you became concerned
25 that the police may come and talk to you; right?

1 A. Yes.

2 Q. Is that because they told you that there was -- that there
3 was a possibility of fraud?

4 A. Yes.

5 Q. Did they suggest that they thought you might have engaged
6 in fraud?

7 A. Yes.

8 Q. Did they tell you that they suggested that you might have
9 actually personally profited from fraud that they had
10 uncovered?

11 A. No.

12 Q. Okay. Did you ever have an understanding that one of the
13 concerns that the company had was that perhaps you had
14 personally taken money as part of this fraud?

15 A. I would say not in so many words, but just when you use
16 the word "fraud," that's the meaning.

17 Q. Okay. So you thought -- when you walked out of that
18 meeting, you thought they may be pointing the finger at me;
19 right?

20 A. Definitely.

21 Q. And you testified yesterday that you thought it was
22 inappropriate, at least, that Ms. Holland took away your key
23 card that allowed you access to the building and took away
24 your notepad that had your passwords on it. Do you recall
25 that testimony?

1 A. Not as you describe it.

2 Q. Well, did you think it was appropriate that they took your
3 card that allowed you access to the building away?

4 A. I didn't have a question about that. I wanted a receipt
5 for it.

6 Q. So you don't have a problem with the fact that they took
7 that away?

8 A. No.

9 Q. And ultimately you did get a business card from Ms.
10 Holland that -- or Ms. Wasson that constituted such a receipt;
11 right?

12 A. Right. I just thought it looked -- I don't know --
13 unbusinesslike not to have specific forms for every action and
14 disciplinary action and receipts for things you might have to
15 receive from people.

16 Q. Okay. Ultimately, you learned that Harrison contacted
17 McKesson and asked McKesson to provide support with Harrison's
18 investigation; correct?

19 A. State that again, please.

20 Q. Yes. You learned later on that Harrison had contacted
21 McKesson and asked McKesson to help with the investigation;
22 correct?

23 A. Yes. Long after when I asked who was doing the audit.

24 Q. Did you think it was inappropriate for Harrison to contact
25 McKesson and ask them to help with the investigation?

1 A. I would say I don't see McKesson as an independent
2 third-party auditing agent.

3 Q. Right. But did you think it was inappropriate to ask
4 McKesson to assist with the investigation? Because they
5 certainly understood their software; right?

6 A. They could ask McKesson any question they want.

7 Q. So at the time that you were placed on suspension, you
8 were concerned about whether in fact you might have
9 unknowingly committed Medicare fraud, weren't you?

10 A. Correct.

11 Q. But even as you sit here today, you can't identify anyone
12 at Harrison that you think intentionally committed Medicare
13 fraud; isn't that correct?

14 A. Correct.

15 Q. And the basis for your allegation that the GenEnd process
16 was not run correctly is based upon your suggestion that the
17 manual that you had told you to run it on a daily basis as
18 opposed to a monthly basis; right?

19 A. No. It's not a suggestion, it's a fact.

20 Q. Okay. And so you're saying the manual said I had to do
21 it, so you had to do it; right?

22 A. Correct.

23 Q. And you think the manual was written by John Miotke?

24 A. Yes.

25 Q. But do you think that John Miotke intentionally miswrote

1 that manual in such a way as to commit fraud?

2 A. I don't know.

3 Q. But as you sit here today, you don't have any reason to
4 believe that he did, do you?

5 A. I don't have any reason to disbelieve it either.

6 Q. So you just don't know, do you?

7 A. No.

8 Q. Let me have you turn to Exhibit 5.

9 A. Which book?

10 Q. It's going to be in the -- your exhibit book, the
11 plaintiff's trial exhibit book.

12 A. Okay.

13 Q. Exhibit 5.

14 A. I have it.

15 Q. Okay.

16 MR. GALLAGHER: This has been admitted, Your Honor,
17 so I would like to publish it to the jury.

18 THE COURT: You may.

19 BY MR. GALLAGHER:

20 Q. Do you recognize Exhibit 5?

21 A. Yes.

22 Q. This is entitled "Initial Competency Record/Conditional
23 Period Evaluation," isn't it?

24 A. Yes.

25 Q. This was your first performance review?

1 A. Yes.

2 Q. It was performed by Ms. Wasson; correct?

3 A. Yes.

4 Q. Now, there are certain things in here that are
5 highlighted; isn't that true?

6 A. Yes.

7 Q. Okay. And some of the highlights that I'm indicating here
8 with my finger are highlights that appear on the version that
9 you are looking at; right?

10 A. Repeat that, please.

11 Q. You've got an exhibit in front of you in the exhibit book,
12 don't you?

13 A. Right, but I did not hear your question.

14 Q. Okay. There's certain highlighting in this exhibit; isn't
15 there?

16 A. Yes.

17 Q. And that highlighting is information that your counsel
18 highlighted in this particular exhibit; isn't it?

19 A. I believe so, yes.

20 Q. So when you got this exhibit, that stuff wasn't
21 highlighted in the performance review that you received?

22 A. Right.

23 Q. Okay. Now, I have highlighted on my copy of the exhibit a
24 couple other items above the highlighting that your counsel
25 created. So if you compare what's on the screen with what's

1 in your book -- and the screen in front of you is the same as
2 the screen there.

3 A. I know, but it's not clear.

4 Q. Okay. Well, I can zoom in on it for you. But what I'm
5 really trying to do -- maybe I can't zoom in on it. See where
6 I'm referring to, there's some highlighting there?

7 A. Okay.

8 Q. Right here, I'm pointing to it.

9 A. And then two or -- no, three lines underneath?

10 Q. Yes.

11 A. Okay.

12 Q. I will represent to you that the highlighting on top is my
13 highlighting.

14 A. All right.

15 Q. I put that on my copy.

16 A. Okay.

17 Q. I wanted to do that so you could see what I'm talking
18 about.

19 So Ms. Wasson gave you this performance review in 2011;
20 correct?

21 A. Yes.

22 Q. So it was more than a year before you were ultimately
23 placed on suspension; right?

24 A. Yes.

25 Q. And you would agree with me that this is a pretty good

1 review; isn't it?

2 A. After your 90-day probation period.

3 Q. But it's a pretty good review; isn't it?

4 A. It's the current review for that time.

5 Q. Well, but I mean --

6 A. I don't think it's really preliminary to anything. I've
7 never heard anyone ask -- say that.

8 Q. No, my question is, she gave you a pretty good review,
9 didn't she?

10 A. Oh, yes.

11 Q. She didn't give you a bad review, did she?

12 A. No.

13 Q. But as often happens in these reviews, she had some
14 constructive suggestions for you on things that you could
15 improve on, didn't she?

16 A. Sure.

17 Q. And the section that I'm pointing here to on the exhibit
18 that you can see on the screen in front of you, that's the
19 portion of the review where she actually made some
20 constructive suggestions to you, didn't she?

21 A. Yes.

22 Q. And those were suggestions that your counsel didn't
23 highlight and point out in your direct examination yesterday;
24 correct?

25 A. Right.

1 Q. I wanted to ask you about them.

2 A. Okay.

3 Q. So in this review, more than a year before you were placed
4 on suspension, Ms. Wasson told you, among other things, that
5 she would like you to design and implement effective and
6 efficient processes to address: Month-end processing -- do
7 you see where I'm referring to?

8 A. Right.

9 Q. She told you that, didn't she? Correct, did she tell you
10 that?

11 A. Yes.

12 Q. And she told you that she wanted you to develop and
13 implement effective and efficient processes for addressing the
14 RAP status; correct?

15 A. Yes.

16 Q. That's the anticipated payment we talked about; right?

17 A. Yes.

18 Q. And actually, the word "anticipated payment" occurs right
19 below that; correct?

20 A. Right.

21 Q. So you understood as early as 90 days after you started
22 with the company that Ms. Wasson had some concerns about the
23 way you processed these RAP payments, didn't she?

24 A. No. She didn't say she had a concern. These are normal
25 things, just basic tasks of the person doing the billing.

1 Q. But you --

2 A. She didn't say anything was wrong with them. But you
3 always have to have your plan in place and to make sure that
4 you keep it effective and efficient as new processes or
5 requirements come from Medicare. It's always changing. So
6 she's just asking me to keep all of this current.

7 Q. Right. And that's because she thought that there was room
8 for improvement in your performance in that regard, didn't
9 she?

10 A. Well, everyone can have room for improvement. She didn't
11 notify me of any concern.

12 Q. Did you believe that you had room for improvement with
13 regard to your performance on these three items?

14 A. You always can have room for improvement.

15 Q. So the answer is yes?

16 A. You would not want me to give you an evaluation because I
17 don't give top of the line. Everyone has something new they
18 can learn.

19 Q. And this wasn't a top-of-the line evaluation, at least
20 with regard to those items; correct?

21 A. Say that again, please.

22 Q. This was not a top-of-the-line evaluation, at least with
23 regard to those three items; correct?

24 A. I disagree.

25 Q. You thought it was -- you thought this was a top

1 evaluation?

2 A. It may not be 100, but it's not derogatory.

3 Q. When you --

4 A. It's not saying -- it's not a red flag that you are doing
5 these things inappropriately. You have to revamp everything.

6 You have to go back to the drawing board and relearn
7 everything.

8 Q. Let me have you now turn to Exhibit 17.

9 A. Same book?

10 Q. Same book.

11 A. Okay.

12 Q. Now, Exhibit 17, if you recall, is a document that was
13 marked as an exhibit, it's included in your book, but the
14 judge has not allowed either side to actually show this
15 document to the jury. Correct?

16 A. Correct.

17 Q. This is a document that was marked so that you could refer
18 to it from time to time if you had to refresh your
19 recollection about things that happened.

20 A. Yes.

21 Q. Right? And so the jury isn't able to see Exhibit 11, but
22 I want to describe -- I would like you to describe for them
23 sort of what it looks like. Not necessarily the content, but
24 how many pages is Exhibit 11?

25 A. It's 11 pages, and it has highlighted points in

1 chronological order.

2 Q. Now, with the highlighted points, is there actual
3 highlighting, like colored highlighting in your copy?

4 A. No.

5 Q. So by highlighting, you mean points you thought were
6 important that you included in this document?

7 A. Right. I would say they are differentiated by numerals,
8 numbers, and a date.

9 Q. You've got paragraph numbers; right?

10 A. Yes.

11 Q. This is a document you prepared; right?

12 A. Yes.

13 Q. Did you prepare it like on your home computer?

14 A. Yes.

15 Q. You typed it yourself?

16 A. Yes.

17 Q. It's in -- it's single spaced, isn't it?

18 A. Yes. It's doubled between the paragraphs.

19 Q. Okay.

20 A. The topics.

21 Q. And it's in probably ten point font, do you think?

22 A. No, 12.

23 Q. Twelve. But there's a lot of text in this; correct?

24 A. Yes.

25 Q. And when you put it together, did you do this in one

1 sitting, or did you -- was it sort of a work in progress that
2 you would work on from time to time?

3 A. No. November 7th I did everything that went to November
4 7th, and then I did it each day as a new event occurred.

5 Q. And you intended that this document would serve as a
6 comprehensive summary of everything that happened to you at
7 Harrison that led up to your suspension; right?

8 A. Right. In case I was ever questioned about it. As I
9 said, I may be called in for meetings.

10 Q. Well, at some point you decided to file a lawsuit; right?

11 A. I did decide that.

12 Q. So one of the reasons you prepared it was so that you
13 would have a complete set of notes that you could use in case
14 you were on the witness stand in a lawsuit; right?

15 A. No. Actually the main reason I started it was in case I
16 ever had a -- if my unemployment had been questioned and I had
17 to go in for appeal. I think it's called an appeal for that.

18 Q. We will talk about that later, but you didn't -- your
19 unemployment application wasn't questioned, was it?

20 A. Pardon?

21 Q. Your unemployment application was not questioned; right?

22 A. I don't think so. I don't think Harrison ever responded
23 to it.

24 Q. Did you get your unemployment?

25 A. Yes.

1 Q. So you never had to go in for an unemployment appeal?

2 A. No.

3 Q. Now I want to ask you about the two manuals that are on
4 the little chart that you prepared.

5 The manual on the left is the manual that you say
6 contained the instructions that required you to run GenEnd on
7 a daily basis; right?

8 A. Yes.

9 Q. And your belief was you didn't really have any choice
10 about that, the manual said you had to do it; right?

11 A. Yes.

12 Q. And at no point before November 6, 2012, did you believe
13 that maybe that manual was wrong; isn't that correct?

14 A. That's correct.

15 Q. You never had any reason to be suspicious about the
16 accuracy of the manual?

17 A. Correct.

18 Q. So in the meeting on November 6 of 2012, that's the first
19 time that you heard that there was an issue regarding these
20 reports that were generated when the GenEnd process was run;
21 correct?

22 A. I can't say.

23 Q. That was a bad question. The first time that you heard
24 there was an issue with the running of a GenEnd was on
25 November 6th of 2012; right?

1 A. Right. When McKesson told me.

2 Q. And at some point that day, you went back and gave a copy
3 of this manual to Ms. Wasson; correct?

4 A. Yes.

5 Q. And you believed at the time that you gave this manual to
6 Ms. Wasson that you were following the appropriate procedure
7 that Harrison had told you to follow; right?

8 A. Yes.

9 Q. So you recognize that this manual you gave to Ms. Wasson
10 was a pretty important document; right?

11 A. Yes.

12 Q. Were there other copies of this manual out there?

13 A. Yes.

14 Q. Who else had other copies of this manual?

15 A. Sam.

16 Q. So at the time you gave this report to Ms. Wasson, you
17 knew that there was another copy of the manual out there?

18 A. Repeat the question, please.

19 Q. You gave one copy of the manual to Ms. Wasson; correct?

20 A. Yes.

21 Q. But you knew that there was another copy of this manual
22 out there?

23 A. I'm sorry, I'm missing the words in the middle of your
24 sentence.

25 Q. Okay.

1 A. I did what? Yes, I thought so or no?

2 Q. That's what I'm trying to figure out. Let me make sure

3 I --

4 A. I can't hear all your words.

5 Q. Okay. I will slow down. Maybe that will help.

6 You gave Ms. Wasson a copy of the manual; correct?

7 A. Yes, the daily manual.

8 Q. And you believed that Sam had a copy of the daily manual
9 also?

10 A. Yes.

11 Q. And your testimony is that you did not make a copy for
12 yourself of the daily manual because you gave it to Ms.

13 Wasson, because you did not think that it was appropriate for
14 you to make a copy of a Harrison document; right?

15 A. Correct. For -- as a copy for myself. To have one at my
16 desk would be okay, but she and I were going to be working on
17 it, we were going to be working on it the next day. I have no
18 reason to hurry over and make another copy.

19 Q. Well, ma'am, that seems to me to be a different issue than
20 what you testified to before.

21 A. When?

22 Q. I believe earlier today you said you did not make a copy
23 of that manual because you did not think that it was
24 appropriate for you to make a copy of company property. Did I
25 misunderstand your testimony?

1 A. Oh. That is exactly what I'm saying. Just now I thought
2 you were kind of wondering like, well, if you needed it
3 tomorrow, why didn't you make a third copy of it.

4 Q. Well, that's actually what I was wondering. Why didn't
5 you make a third copy of it?

6 A. Because I trusted Diane. We were working on the project
7 together.

8 Q. Well, but you understood at some point that there were
9 concerns about your performance; right?

10 A. Yes.

11 Q. And this manual was the manual that described what you
12 should do; correct?

13 A. Yes.

14 Q. So you thought that this manual justified any -- or strike
15 that. You believed that this manual explained away any issues
16 that Ms. Wasson had with your performance, didn't you?

17 A. In regarding to why I affected the revenue of GenEnd every
18 day, yes.

19 Q. So if anybody ever questioned you about why you did that,
20 this manual was the document that proved why you did it;
21 correct?

22 A. Yes.

23 Q. And you didn't think to make a copy of it to protect
24 yourself?

25 A. I didn't think the book was going anywhere. I thought she

1 would still have it.

2 Q. Well --

3 A. I trusted her.

4 Q. But you didn't at any time make a copy of the document
5 that basically would get you off the hook for any misconduct,
6 did you?

7 A. No, I did not.

8 Q. And as you sit here today, you don't have a copy of it;
9 correct?

10 A. No.

11 Q. Did you ever call up Sam and ask Sam to make you a copy of
12 it?

13 A. After I left?

14 Q. At any time.

15 A. No.

16 Q. Did you ever call anyone and ask anyone to get you a copy
17 of that manual?

18 A. No.

19 Q. And you understand that Harrison has taken the position
20 that we don't have the manual that you are talking about;
21 right?

22 A. And I don't believe you.

23 Q. What do you think happened to it?

24 A. I don't know.

25 Q. Well, do you think Ms. Wasson destroyed it?

1 A. Anything could have happened to it. On TV you see people
2 taking their classified documents and throwing it into their
3 own fireplace.

4 Q. But, ma'am, you have filed a lawsuit in federal court
5 asking this jury to award money against Harrison Medical
6 Center, haven't you?

7 A. And we asked the defendants to bring in all appropriate
8 documents.

9 Q. And --

10 A. And you send bits and pieces.

11 Q. Ma'am, but you are in this court suggesting that the jury
12 should award damages against Harrison Medical Center, aren't
13 you?

14 A. I made a claim, and I am asking for the claim to be
15 followed through.

16 Q. And part of the claim is you're saying that Harrison
17 Medical Center destroyed this key document, aren't you?

18 A. I don't know that I can say that I'm saying. You did not
19 bring it forth as evidence.

20 Q. So as you sit here today, is it fair to say you don't have
21 any reason to believe that Harrison destroyed this document?

22 A. Say that again, please.

23 Q. What I'm trying to figure out, ma'am, is whether you think
24 we destroyed a critical document in this case?

25 A. You did something you shouldn't have done with it.

1 Q. Yeah, my question for you is do you think we destroyed it?

2 A. You either destroyed it or you just didn't bring it.

3 Q. So we just hid it somewhere or didn't produce it to you?

4 A. Pardon?

5 Q. So we hid it somewhere or didn't produce it to you;

6 correct?

7 A. Correct.

8 Q. But either way, you're alleging that we are not producing

9 it to you and not allowing the jury to see it; correct?

10 A. Correct.

11 Q. What evidence do you have that we did that?

12 A. My knowledge of what was in the two manuals that I

13 followed.

14 Q. Ma'am, do you own a cell phone?

15 A. Yes.

16 Q. Did it ever occur to you to take out your cell phone and

17 just take a quick picture of the one page that proves

18 everything that you're trying to prove in this case?

19 A. No. If I had done that, that -- that paper, that

20 information on them did not belong to me and then I would have

21 charges against me for stealing.

22 Q. So your testimony is that if you made a photocopy or took

23 a picture of the page that you're talking about now, you think

24 that we would have charges brought against you for stealing;

25 is that your testimony?

1 A. Correct. Yes.

2 Q. Now, at some point after your termination, you filed
3 what's been discussed as a -- or called a *qui tam* lawsuit,
4 correct?

5 A. Yes.

6 Q. And do you have an understanding as to what a *qui tam*
7 lawsuit is?

8 A. Yes.

9 Q. Now, the *qui tam* lawsuit is a lawsuit that you filed in
10 United States District Court here; correct?

11 A. Yes.

12 Q. And you filed a *qui tam* lawsuit even before you filed this
13 case, which is -- we can consider, I guess, a retaliation of
14 wrongful termination case; correct?

15 A. Yes.

16 Q. So the *qui tam* lawsuit is separate from the lawsuit we are
17 here today on; correct?

18 A. Yes.

19 Q. But you filed that against my client, against Harrison
20 Medical Center; right?

21 A. Yes.

22 Q. And the lawsuit is brought -- was brought not only on
23 behalf of you, but also on behalf of your husband; right?

24 A. Repeat that, please.

25 Q. Your husband was one of the plaintiffs in the *qui tam*

1 case, wasn't he?

2 A. Yes.

3 Q. But you would agree with me that your husband doesn't have
4 any individual knowledge about Harrison's billing practices;
5 correct?

6 A. No.

7 Q. Now, with regard to the *qui tam* case, you know, don't you,
8 that the *qui tam* case is brought under a federal statute
9 called the False Claims Act; right?

10 A. Yes.

11 Q. And the False Claims Act is a Civil War era statute that
12 gives individuals the right to sue if they believe the
13 government has been defrauded, doesn't it?

14 A. Yes.

15 Q. And one of the things that this False Claims Act, or the
16 *qui tam* claim, allows you to do is bring a claim against a
17 defendant and if you prevail, you get to keep a percentage of
18 the money that the government was defrauded; correct?

19 A. Yes.

20 Q. A minimum of 15 percent of anything that you can prove was
21 defrauded; correct?

22 A. Yes.

23 Q. Now, at the time that you -- well, strike that.

24 This morning you testified that one of the reasons that
25 you filed the False Claims Act claim was because you wanted

1 somebody to get to the bottom of this issue of whether you
2 engaged in fraud; isn't that true?

3 A. Yes.

4 Q. You wanted somebody to clear your name?

5 A. Yes.

6 Q. So after you believed that you had been accused of fraud,
7 were there any other things that you tried to do -- well,
8 strike that.

9 After you were accused of fraud, you formed an opinion
10 that perhaps there was fraud here; right?

11 A. I did not know. That's why I asked the question of the
12 *qui tam*.

13 Q. Okay. Now, and so that was one way that you were going to
14 get that question answered; right?

15 A. Yes.

16 Q. You had been employed at health care facilities for 37
17 years; right?

18 A. Yes.

19 Q. And as you know, health care facilities almost always have
20 whistleblower hotlines, phone numbers that you can call if you
21 believe there's some fraud that needs to be reported; correct?

22 A. Yes.

23 Q. And so you know from looking through the employment
24 manuals that you were given at Harrison that they had a
25 whistleblower or employee tip hotline; correct?

1 A. Yes.

2 Q. But you chose not to call that number to report fraud;
3 correct?

4 A. Right.

5 Q. Okay. Another thing you could have done -- you've worked
6 your entire career dealing with Medicare billing; correct?

7 A. Yes.

8 Q. So you're familiar with the Office of Inspector General;
9 right?

10 A. Yes.

11 Q. And the Office of Inspector General is a federal agency, a
12 division of -- well, why don't you explain what the Office of
13 Inspector General is.

14 A. They're just -- they just administer all the rules and
15 policies and they have specific, I guess would you call them,
16 initiatives that they want people to work on every year like
17 goals and things. And I don't know the extent of all the
18 audits, and so forth, that they go into and sanctions.

19 Q. But you do know that the Office of Inspector General is
20 the government group that comes in and investigates problems
21 with Medicare complaints; right?

22 A. Yes.

23 Q. The last thing you want if you are a Medicare billing
24 person is having the Office of Inspector General look into a
25 Medicare issue; correct?

1 A. I don't want that, but that's what I needed to do.

2 Q. Okay. But you didn't file a complaint with the Office of
3 Inspector General, you filed a lawsuit, didn't you?

4 A. I think that kind of detail is above me. I -- I followed
5 the -- when I went to ask for legal advice, I followed the
6 advice.

7 As far as calling the hotline or talking to human
8 resource, it was just Karen Holland and Diane taking me right
9 out of my job. I had no reason to trust them.

10 Q. Well, but when you filed the lawsuit under the False
11 Claims Act, you understood that if you prevailed in that case
12 you would get to keep a percentage of any money that you could
13 prove was inappropriately taken from the federal government;
14 right?

15 A. Yes.

16 Q. So if you prevailed on that False Claims Act claim, you
17 stood to make a substantial amount of money; isn't that right?

18 A. I would, but that was not the reason why I requested it.
19 I requested it to clear my name and prove that I did not
20 commit Medicare fraud. I want people to know that I have
21 never been taken out of my right to bill Medicare.

22 Q. But at no point did anybody from Harrison tell you that
23 they were going to somehow deprive you of your ability to ever
24 work for a health care company again; correct?

25 A. They didn't do me anything in writing, so I had

1 nothing that I could trust them about anymore.

2 Q. But how could Harrison somehow stop you from serving in
3 the medical billing position going forward?

4 A. I don't know.

5 Q. But nevertheless, you felt that you had to file this False
6 Claims Act case and go into court and win a lawsuit in order
7 to clear your name?

8 A. I didn't have to win the lawsuit. The research and
9 investigation that they did, did clear my name.

10 Q. So ultimately the conclusion that Ms. Swem and the
11 Department of Justice reached was enough for you to believe
12 that your name had been cleared?

13 A. Yes.

14 Q. So in some ways, mission accomplished; right?

15 A. Somewhat.

16 Q. And as Ms. Swem testified this morning, the government did
17 conclude that there was no fraud on the part of --

18 A. Right.

19 Q. -- my client; correct?

20 A. Right.

21 Q. And as you know, the lawsuit was dismissed; right?

22 A. I'm at a loss on that. I don't -- I think you say that,
23 but I don't know the correct term.

24 Q. Okay. But you -- so you brought the False Claims Act
25 case; right? You understand that you were the plaintiff, the

1 person pointing the finger in that case; right?

2 A. Yes.

3 Q. And you understand that the case is no longer going on;
4 right?

5 A. Right.

6 Q. So something happened to it; right?

7 A. Right.

8 Q. Do you believe that -- well, strike that.

9 You understand that the United States decided not to
10 participate in that lawsuit; correct?

11 A. Yes.

12 Q. They had the opportunity if they believed that there
13 really was fraud, they could -- they could intervene in the
14 case and bring it on behalf of the United States of America;
15 correct?

16 A. Yes.

17 Q. And they decided not to do that?

18 A. Right.

19 Q. And so as you sit here today, you think that that False
20 Claims Act case is over with; right?

21 A. Yes.

22 Q. Nothing more for you to do or for my client to do;
23 correct?

24 A. Say that again.

25 Q. There's nothing more for either you to do in that case or

1 for Harrison Medical Center to do; correct?

2 A. Not as far as *qui tam*.

3 Q. Okay. So with regard to the phone calls that you had with
4 McKesson on November 6th of 2012, did you make notes of those
5 telephone conversations?

6 A. Yes.

7 Q. Who did you speak with at McKesson?

8 A. Pardon?

9 Q. Who did you speak with at McKesson?

10 A. Tiffany.

11 Q. Do you know Tiffany's last name?

12 A. No.

13 Q. Anybody else that you spoke with?

14 A. On the 5th or the 6th I think I spoke to a Jason once.

15 Q. Do you know Jason's last name?

16 A. No.

17 Q. How long did the first call that you had with McKesson
18 last, the first call you had on November 6th, 2012?

19 A. Oh, I don't know. Ten minutes.

20 Q. Who did you speak with on that call?

21 A. Tiffany.

22 Q. And how long did the second call last?

23 A. Twenty minutes.

24 Q. Who did you speak with on that call?

25 A. Tiffany again.

1 Q. Did you speak with Jason on the third call?

2 A. No. I spoke with Tiffany. I must have spoken with Jason
3 on the topic on the 5th.

4 Q. So you spoke with Jason about something other than this
5 issue that you were investigating; right?

6 A. Right.

7 Q. So the only person -- the only person at McKesson that you
8 spoke with as part of your investigation was Tiffany?

9 A. Yes.

10 Q. And you spoke with Tiffany twice for a total of 30
11 minutes; correct?

12 A. Three times for 30, 35 minutes.

13 Q. So the third call was maybe another five minutes; is that
14 right?

15 A. Oh, no. Then I must have talked to her a total of about
16 45 minutes.

17 Q. Okay. So you spoke with her maybe another 15 minutes?

18 A. Uh-huh.

19 Q. So the totality of your investigation into these
20 allegations was 45 minutes on three calls with the McKesson
21 help desk?

22 A. At that point. If I was there after November 7th, I'm
23 sure it would have extended.

24 Q. But as far as the investigation that you did conduct, that
25 was it; right?

1 A. Correct.

2 Q. Following the -- you had a meeting on November 7th, right,
3 with Ms. Wasson and Ms. Holland?

4 A. Yes.

5 Q. And that was the meeting where you were suspended?

6 A. Yes.

7 Q. And it was after that meeting that you thought the police
8 might come for you; correct?

9 A. Yes.

10 Q. Why did you think the police might come for you?

11 A. Because they accused me of fraud.

12 Q. Now, I believe you testified on direct examination that
13 when you mentioned in the meeting that you were concerned the
14 police might come for you, they snickered. I think that was
15 your term, they snickered.

16 A. Yes.

17 Q. Did they say anything to you when you made that comment?

18 A. They just said, "No, they won't be coming." And I go,
19 "Well, as you start your investigation, should I be expecting
20 them later? Will they be arriving at my home to pick me up?"
21 Because it seemed very odd if they were accusing me of
22 something so serious, I hadn't seen investigators, I hadn't
23 seen any auditor. But still, it's a legal matter, so as soon
24 as, you know -- you know, you accuse a person of it, you
25 should be -- they should be read their rights and they should

1 be incarcerated.

2 Q. Do you think that Ms. Holland or Ms. Wasson should have
3 read you your rights after the meeting on November 7th?

4 A. I'm not sure if they are the appropriate people, but they
5 could have had law enforcement do it.

6 Q. Would that have been a better result, in your view, to
7 have had some law enforcement officers come and read you your
8 rights?

9 A. I don't think -- I don't think I'm trying to say what
10 better result of the meeting there should have been. That's
11 just a matter of what the law is and what you do with the
12 person breaking the law.

13 Q. Well, do you think that they should have had the police
14 come and investigate you?

15 A. If their allegation was real, they should have. I don't
16 know. Maybe they would have called the police and the police
17 would say, oh, she's left out on her own recognizance until we
18 find out two or three more facts. I don't know.

19 Q. But you do understand that Harrison conducted an
20 investigation and called you back -- it was in March of 2013,
21 but they called you back and gave you the results of that
22 investigation, didn't they?

23 A. They -- they did briefly tell me a few things about it.

24 Q. Okay.

25 A. But they also, about November 26th or 27th, asked me to

1 resign or they would terminate me. So they should have --
2 that makes me think they should have concluded their
3 investigation to come to that decision.

4 Q. Did you ever think they were just trying to find a way for
5 you to elegantly leave and to give you some severance?

6 A. Say that a little bit louder, please.

7 Q. Did you ever think that they were just trying to find a
8 way for you to elegantly leave the company and they could give
9 you some severance?

10 A. I think they were making me a scapegoat and, you know,
11 just trying to shove me away, get me off the computers, and as
12 I asked them several times, I can come back to work, I can
13 help you. I mean, why should I not be included in the
14 meetings, anything about an investigation and so forth? If
15 they thought I needed more training, give me more training.

16 Q. But you understood they were investigating more than just
17 your lack of training; right?

18 A. I did not know.

19 Q. Okay. Well, regardless of what you knew, they brought you
20 back to a meeting at Harrison in March of 2013; right?

21 A. Yes.

22 Q. And that was the meeting where they terminated your
23 employment; right?

24 A. Yes.

25 Q. And at that meeting, you said they gave you, I believe you

1 said, a couple of sentence report on what McKesson had
2 concluded; right?

3 A. Yes.

4 Q. And as best as you can recall, what is it that they told
5 you that McKesson had concluded?

6 A. They said that I called McKesson too much. When I would
7 work through an account to update it with McKesson, the
8 account was moot. When I did not, there were problems with
9 the account, but they didn't go into any detail. And
10 apparently the person doing the report said I was not
11 analytical or cost functional.

12 Q. So you understood that McKesson had concluded that you
13 were not competently performing your job; correct?

14 A. Yes. I believe that's how Karen Holland phrased it. She
15 was reading off a piece of paper, and I -- I asked her if she
16 wanted to share that with me, and she said, "Oh, no, this is
17 Harrison business. I can't." And she read it, and then she
18 just sat there.

19 Q. Okay. When you were at that meeting, though, you
20 understood that Ms. Holland and Ms. Wasson were telling you
21 that they did not think that you were competently performing
22 your job; correct?

23 A. That's what they said.

24 Q. They thought you were incompetent.

25 A. Yes.

1 Q. Did you believe that you were competent?

2 A. I believed I was competent.

3 Q. But that's why they terminated your employment; correct?

4 A. That's what they said.

5 Q. Do you disagree with that?

6 A. I disagree.

7 Q. Why do you think they terminated your employment?

8 A. I don't know exactly. I find it very strange that since I
9 have left, they never posted a request for anyone to apply to
10 the same position at the home health office.

11 Q. Do you think that they did that in some reason -- or in
12 some way to retaliate against you?

13 A. Yes.

14 Q. So who do you think -- well, let me ask you kind of a
15 question that I think is sort of necessarily antecedent to
16 that, a predecessor question. Why do you think Diane Wasson
17 would treat you as a scapegoat?

18 A. Now that the book is gone, I believe that she's taking her
19 own ideas and -- you know, whatever level she knew about
20 McKesson, which at times, as I worked with her more, it didn't
21 seem like very much. She always said, "You can come and
22 always ask me questions," but she didn't have the answers to
23 the question. So I'm thinking because the merger was coming,
24 and so forth, and they are very much, again, sounding like
25 they wanted some downsizing, downsizing, possibly they

1 outsourced my job.

2 Q. But you don't know that, though, do you?

3 A. No. Those things I don't.

4 Q. Do you think Diane Wasson terminated your employment
5 because you were making her look bad because you knew what you
6 were doing?

7 A. Say that again.

8 Q. Do you think Diane Wasson terminated your employment
9 because you were making her look bad because you knew what you
10 were doing?

11 A. I would not phrase it that way.

12 Q. Well, regardless --

13 A. I would say, if anything, she wanted to say I have
14 discovered the problem. Like first they asked me about the
15 overpayment report from McKesson and the credit column on the
16 month-end reconciliation. They couldn't even pose a question.
17 They couldn't tell me what it tied to. They couldn't show me
18 examples of what it used to be. They had no instructions,
19 nothing.

20 But then I, from McKesson, learned about the GenEnd.
21 Well, that's the first step to let us all get the corrections
22 done, and I'm not there, she has the book in her hand, she
23 could carry that forward to everyone else and say, I found
24 this, and we're getting rid of Lori so you don't have to worry
25 about her being here anymore.

1 Q. But, ma'am, you were the medical billing director. How
2 come you didn't know what was wrong immediately? Isn't
3 that --

4 A. It was not evident. All the amounts on the claims looked
5 correct. There were not -- as far as that overpayment and the
6 MARR, the deposit and the payment amount that we received in
7 our department matched to our monthly cash posting. If --
8 when they talk about overpayment, then they talk about
9 unapplied cash, I don't know. If we had any extra moneys or
10 less moneys come in any month, that would be reported to me
11 from McKesson when I asked for the payment report. And the
12 two -- the deposits and the postings would not have matched.
13 So then I had a place to start to resolve the problem.

14 Q. But, ma'am, if you weren't able to discover the problem
15 with the Medicare billing issues as the Medicare billing
16 director, who did you expect at the company was supposed to
17 figure this out?

18 A. I don't know, but they did not really even ask me.

19 Q. So we talked about Ms. Wasson. Did you also believe that
20 Ms. Holland was out to get you?

21 A. She's just -- she's just like a parrot. She's just -- I
22 don't know if she does it with every department that she's a
23 business partner to, but she's just in there to be Diane's
24 witness to the meeting.

25 Q. So she didn't -- she didn't real do anything; she just did

1 whatever Diane told her, is that what --

2 A. Right.

3 Q. How about Marie LaMarche, do you think Marie's a parrot?

4 A. I don't know. She may just be taking Diane's information,
5 too.

6 Q. Okay. But --

7 A. Because when she like wrote back to me why I was
8 discharged, it's just the information out of what I finally
9 saw on the McKesson report.

10 Q. But in any event, you believe that Ms. Holland and Ms.
11 LaMarche were complicit in what Ms. Wasson was trying to do to
12 you; correct?

13 A. I don't have a dictionary here. Will you please tell me
14 complicit --

15 Q. Sure. They didn't try and stop her; right?

16 A. Right.

17 Q. So in that sense, they were also facilitating her attempt
18 to make you a scapegoat; correct?

19 A. Yes.

20 Q. Is there anybody else at Harrison that you believe also
21 helped facilitate Ms. Wasson's attempt to make you a
22 scapegoat?

23 A. No.

24 Q. So those are the only three?

25 A. Yes.

1 MR. GALLAGHER: Your Honor, if I may have a minute?
2 I would like to run through my notes here and see if I have
3 any additional questions. May we take maybe a five-minute
4 break? Would that be appropriate?

5 THE COURT: I don't know if you need five minutes.
6 It's a little early for our afternoon break.

7 MR. GALLAGHER: Okay. If you would just give me a
8 minute to run through my notes and talk to co-counsel and
9 resolve it?

10 THE COURT: You can talk to counsel.

11 MR. GALLAGHER: Ms. Cook, I don't have any more
12 questions for you now. We may recall you as a witness when we
13 get to our case and present our evidence, but for now, I have
14 no further questions. Thank you.

15 THE WITNESS: Thank you. Oh, do you need this
16 deposition back?

17 MR. GALLAGHER: You can just leave it up there and we
18 will deal with it at one of the breaks. Thank you.

19 THE WITNESS: Thank you.

20 REDIRECT EXAMINATION

21 BY MR. FULTON:

22 Q. Lori, I'm going to ask you some follow-up questions.

23 A. Okay.

24 Q. Counsel just asked you about Diane Wasson and what she had
25 to either gain or why she would retaliate against you. Was

1 Diane Wasson your supervisor?

2 A. Yes.

3 Q. Was she in charge of you?

4 A. Yes.

5 Q. Did she oversee you during -- a year and a half during
6 your tenure at Harrison? Or how long --

7 A. About 16 month's worth, yes.

8 Q. Sixteen months, nearly --

9 A. Yes.

10 Q. Nearly a year and a half. Did she review every single
11 financial report that you prepared?

12 A. Yes.

13 Q. Did she ever question you on any of those reports that you
14 prepared before?

15 A. I think once she had a question. Two lines got transposed
16 as to -- I'm trying to think how to -- two insurance lines
17 that were on one, and they were transposed. So then I
18 corrected that and we went on.

19 Q. Okay. And when you were concerned with fraud possibly
20 being committed, did that reflect on the whole department and
21 not just you personally?

22 A. It would reflect on the whole department.

23 Q. Counsel talked about your 37 years of experience. And
24 could you explain to the jury how many years of experience you
25 actually had in Medicare billing home health?

1 A. Okay. For Medicare billing home health I started in 2005.

2 So it would have been about seven years.

3 Q. About 37.

4 A. You said Medicare home health?

5 Q. Uh-huh.

6 A. Since 2005.

7 Q. Okay. So was it -- you didn't have 37 years of Medicare
8 home health?

9 A. No. But ever since I began working in hospitals, I had 37
10 years doing Medicare claims, but all the claims were different
11 types of services: inpatient, outpatient, home health,
12 physician, and nursing home. They all have different forms
13 and they have different requirements.

14 Q. And you said that you had worked with McKesson software
15 before at Swedish; is that correct?

16 A. Yes.

17 Q. But what was your role when you worked with the McKesson
18 software?

19 A. I was a supervisor of the billing section. We had three
20 lines of business, and also we had -- there was a Medicare
21 biller for home health and hospice and there was a Medicare
22 care biller for infusion, and I would oversee their roles.

23 Then before I did month-end reporting, I had to do the
24 month-end GenEnd, and the biller did GenEnd every day.

25 Q. Okay. So you weren't performing the GenEnd daily

1 function?

2 A. No.

3 Q. Counsel also talked about your managerial duties at
4 Harrison.

5 A. Yes.

6 Q. When you started, did you believe you were going to be
7 having managerial duties?

8 A. Yes.

9 Q. How long did those managerial duties last?

10 A. Well, at first I thought I had about four or five people
11 on my team as they were introduced to me. And then when I
12 started approving payroll, I did it for the whole group of
13 five people. And a couple -- after a couple pay periods,
14 other managers came to me and they said, "Well, thank you for
15 checking so and so's payroll. They're my employee, but you
16 checked it out and nothing changed." And I said okay. So I
17 went over to Pat Dodge, who was my supervisor then, and I
18 asked her about it, and she goes, "Well, I will have to check
19 on it," and then it ended up that I really just had two
20 subordinates.

21 And then after Diane Wasson came, it was -- it was like my
22 autonomy was much less because she would oversee so many
23 duties that I did.

24 Q. Okay.

25 A. I'm saying close scrutiny of them.

1 Q. Okay. Counsel also talked a lot about the GenEnd process
2 and actually what it did. When you pressed the GenEnd
3 function key or radio button, did it affect revenue? At least
4 is that what it appeared to say when you pressed the button,
5 affect revenue, is that what the verbiage was?

6 A. Yes.

7 Q. So in your mind -- and no one told you any differently?

8 A. Right.

9 Q. When you pressed that button, you believed you were
10 affecting revenue?

11 A. Yes.

12 Q. And when you talked to McKesson, they agreed that when you
13 pressed that button you were affecting revenue?

14 A. Well, I talked with Tiffany, like I said, at the end of
15 the 6th, and she told me you are only supposed to do it at the
16 end of the month not throughout the month. And I said, what
17 effect could it have on the accounts or the -- is it each
18 account or the system as a whole? And she said she did not
19 know and so she would check on it, but I was not there long
20 enough to get her call back.

21 Q. So if the software company that prepared the function
22 tells you they don't even know what it's supposed to do, how
23 are you supposed to find out what it's supposed to do?

24 A. I don't know. I was not -- I would keep researching with
25 them, and -- I guess I would ask for those claim support

1 people's supervisors and managers, that you have to give me an
2 answer of this right now. I've got people waiting for the
3 answer.

4 Q. In your meeting with Diane and Karen, you said that they
5 were making their determination to terminate you based upon
6 the McKesson audit. Is that correct?

7 A. Yes, in March of 2013.

8 Q. Okay. And yet they wouldn't provide you with a copy of
9 that on it; is that correct?

10 A. Correct.

11 Q. And it was when they wouldn't provide you with a copy of
12 that, that's when you decided that you needed to continue to
13 find out to make sure that -- to clear your name of any
14 potential fraud; is that correct?

15 A. Right. And I think I actually made the decision after the
16 April meeting when they gave me a document to review and agree
17 or disagree to, that they again brought no more descriptive
18 description or copy of the audit. So I had nothing in writing
19 that I could base to believe them or not believe them.

20 Q. And was it your belief that when they presented you that
21 document in April to allow you to no longer talk about this
22 matter to anyone else, did you believe that there was
23 information that they were trying to hide?

24 A. Yes.

25 MR. FULTON: I have no further questions.

1 MR. GALLAGHER: Your Honor, may I just ask a very
2 brief recross? A couple of questions.

3 RECROSS-EXAMINATION

4 BY MR. GALLAGHER:

5 Q. Ms. Cook, Mr. Fulton asked you some questions about what
6 happened to your supervisory responsibilities after you joined
7 Harrison.

8 A. Yes.

9 Q. And I believe you testified that they took away some of
10 your supervisor responsibilities. Is that correct?

11 A. In the number of staff I would have, yes.

12 Q. Do you think that one explanation for them taking away
13 your responsibilities is that they felt that you were in over
14 your head?

15 A. No. I think they hadn't decided who was really going to
16 be on the billing team.

17 MR. GALLAGHER: Nothing further, Your Honor. Thank
18 you.

19 MR. FULTON: Nothing further, Your Honor.

20 THE COURT: You may step down.

21 THE WITNESS: Thank you.

22 * * * * *

23 C E R T I F I C A T E

24 I certify that the foregoing is a correct transcript from
the record of proceedings in the above-entitled matter.

25 /s/ Julaine V. Ryen
JULAIN V. RYEN

April 14, 2015
Date